

LUISS



Department of
Management

Chair of Brand Management

Sustainability and Excellence Made in Italy: The Case of
Premium Kitchens "Elmar".

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Mai come in questo progetto, ho appreso il significato del termine perseveranza.

Non solo per il progetto in sé che mi ha posto nella condizione di non
demordere, ma per il momento della mia vita
in cui ho dovuto affrontarlo.

Questo capitolo della mia vita mi ha permesso di conoscere persone che
sono state compagni di viaggio unici e che
non smetterò di ringraziare per la loro amicizia semplice e genuina.

Dedico questa tesi ai miei genitori, sempre vicini a me
e pronti ad assecondare le mie scelte.

Dedico questa tesi a mio fratello che mi accompagna
nel cuore, in questo viaggio e che mi ricorda sempre di seguire ciò che amo.

La dedico a chi come me, in momenti difficili è andato contro la consuetudine.

TABLE OF CONTENTS

<u>INTRODUCTION</u>	<u>5</u>
<u>CHAPTER 1: FUNDAMENTALS OF LUXURY AND SUSTAINABILITY: A MULTIDIMENSIONAL ANALYSIS.</u>	<u>7</u>
1.1 ANALYSIS AND DEFINITION OF LUXURY.....	7
1.2 THE LUXURY PYRAMID.....	11
1.3 THE PYRAMID OF NEEDS BY MASLOW.	13
1.4 WHY ARE CONSUMERS ATTRACTED TO LUXURY PRODUCTS?	15
1.5 THE APPROACH TO CORPORATE SUSTAINABILITY	17
1.6 THE THREE DIMENSIONS OF SUSTAINABILITY "JOHN ELKINGTON"	23
1.7 SUSTAINABILITY AND MADE IN ITALY.....	27
<u>CHAPTER 2: CSR, SUSTAINABILITY AND CORPORATE IMAGE: 3 DETERMINING FACTORS FOR ITALIAN SMES.</u>	<u>30</u>
2.1 CSR: CORPORATE SOCIAL RESPONSABILITY.....	30
2.2 THE IMPACT OF SOCIAL RESPONSIBILITY TOWARDS CONSUMERS.....	31
2.3 THE IMPORTANCE OF SUSTAINABILITY FOR COMPETITIVENESS AND CORPORATE IMAGE.....	34
2.4 DIFFERENCES IN PERCEPTION AND IMPLEMENTATION OF SUSTAINABILITY BETWEEN LARGE COMPANIES AND SMES.....	36
2.5 THE SUSTAINABILITY PLAN IN 2024	39
2.6 ANALYSIS OF STRATEGIES USED BY SMES TO COMMUNICATE THEIR COMMITMENT TO SUSTAINABILITY	42
2.7 SUSTAINABILITY-ORIENTED MARKETING.....	44
2.8 THE ROLE OF SOCIAL MEDIA AND DIGITAL MARKETING IN COMMUNICATING SUSTAINABILITY.	47
MY RESEARCH CONTRIBUTION	50

<u>CHAPTER 3: THE ELMAR CASE, THE CRAFTSMANSHIP OF LUXURY</u>	
<u>MADE IN ITALY.....</u>	<u>52</u>
3.1 ELMAR THE HISTORY OF THE BRAND.	52
3.2 THE ITALIAN MARKET.	55
3.3 ELMAR AND ITS COMMITMENT TO SUSTAINABILITY.	58
DIALOGUES WITH PROTAGONISTS: INTERVIEWS WITH ELMAR'S KEY FIGURES.	63
<u>CONCLUSIONS.....</u>	<u>77</u>
<u>REFERENCES.....</u>	<u>80</u>

Introduction

The evolution of the concept of sustainability and the integration of corporate social responsibility (CSR) are topics of growing importance in contemporary society. This phenomenon has deeply influenced various industries, transforming the traditional perception of exclusivity and refinement into a new vision that embraces ethical, environmental, and social values.

This thesis explores how sustainability and CSR are redefining the concept of luxury. In particular, it will analyze the dynamics and strategies adopted by brands to balance product excellence with environmental and social responsibility.

Specifically, this thesis is composed of three chapters.

The first chapter will explore Maslow's hierarchy of needs, a psychological theory proposed by Abraham Maslow in 1943, which suggests that human beings are motivated by a series of fundamental needs arranged in a hierarchy, from basic physiological needs to self-actualization. The concepts of luxury will be analyzed, including how luxury can now encompass different meanings. The approach to corporate sustainability, the "three dimensions of sustainability" by John Elkington, and how these are increasingly being integrated into Italian-made companies will also be examined.

The second chapter delves deeper into the concept of sustainability, which is essential for modern industries. Sustainability has become a crucial element for companies in the sector, as they seek to balance economic growth with environmental and social responsibility. This chapter will examine various aspects of sustainability, including responsible resource use, ethical production practices, and the most suitable strategies for proper communication and the perception of a solid and ethical corporate image. Concrete examples will be analyzed to demonstrate how luxury companies are integrating sustainability into their operations and marketing strategies, showing how a focus on the environment and society can go hand in hand with product excellence.

In the third chapter, the case study of Elmar will be presented, which explores the concept of luxury as attention to detail and quality rather than merely a symbol of status. The chapter will examine how the company Elmar has interpreted and applied these concepts, distinguishing itself within the landscape of modern Italian SMEs.

In conclusion, the objective of this thesis is to provide an in-depth analysis of the Italian SME sector, with a particular focus on sustainability and corporate social responsibility (CSR). Initially, the fundamental concepts of craftsmanship, sustainability, and CSR will be explored, offering a general overview of how these principles intersect and influence corporate approaches in the current context. Subsequently, attention will shift to the analysis of the values and strategies adopted by Italian brands to respond to the growing expectations of global consumers, who are increasingly oriented toward ethical and sustainable choices.

A central element of this research will be the exploration of a specific case study, focusing on the company Elmar, a significant example of how Italian artisanal tradition can be integrated with a concrete commitment to sustainability. Through detailed interviews with key company figures, this thesis will explore how attention to detail and the pursuit of quality can not only coexist but be enhanced by greater environmental and social awareness. These interviews will provide direct insight into the challenges and opportunities that Italian SMEs face in trying to reconcile artisanal excellence with responsible and sustainable business practices. In doing so, the thesis will not only examine the theories and strategies in the field but also offer an empirical contribution based on concrete and real experiences, allowing for a better understanding of the dynamics and future prospects of the sector.

CHAPTER 1: Fundamentals of Luxury and Sustainability: A Multidimensional Analysis.

1.1 Analysis and Definition of Luxury.

Starting from an analysis of the concept of luxury, it is necessary to mention Jean-Noël Kapferer and Vincent Bastien and how they define it in their book: "The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands," focusing not so much on the economic or qualitative aspects that position products in higher price ranges, but on the more intangible elements that characterize them. In fact, aspects such as experience, exclusivity, or identity that a luxury good generates in people are much more distinctive. Artistry is another characteristic element of luxury goods and the brands that conceive and produce them, breaking down the barriers of rationality and putting the consumer at the forefront, becoming the central element of everything. This is why people always seek luxury, as they invest it with their aura, and their status gains more and more value. The experience transcends the product itself, emphasizing the importance of uniqueness and emotional connection.

Continuing to refer to Kapferer, let's try to quote another definition to understand the meaning of luxury: "Luxury comes from 'lux,' which in Latin means light. This explains the typical characteristics of luxury products. Luxury sparkles. It displays gold, gems, diamonds so that all products become jewels. The fact that luxury is also visible is essential: luxury must be seen, by ourselves and by others. Made to the highest perfection, luxury goods embody ideals. Luxury represents beauty; it is art applied to functional products. [...] Like light, luxury illuminates."

Another fundamental aspect is the crucial role of a brand's heritage and history. Luxury brands don't simply sell products or services; they sell traditions and stories, and people and consumers feel part of them. This kind of storytelling allows people to connect more deeply with the brand, transforming the purchasing experience into an identity pact. Craftsmanship and excellence in production are synonymous with high quality and unique design, influencing all experiential elements that occur between the brand and customers. It's also important to consider the difference between "true" luxury and that which is accessible to everyone, defining the former as unattainable but still desired by

all and the latter as a means to counteract this exclusivity and open doors to a broader market.

Luxury is synonymous with power, and a means for people to distinguish themselves from others through personalization and symbolism. Conventional marketing techniques must therefore emphasize uniqueness and the creation of a separate world, involving careful and precise dialogue between the brand and customers. A luxury good is first and foremost a blend of dream and extravagance (in the sense of being unnecessary). What drives us to purchase a luxury good is the perception of excellent quality, in terms of both the materials used and attention to detail. As everyone knows, the price is always high; if it were not so, it would seem strange, as what luxury item costs little? A luxury good provides an hedonistic experience, appealing to people's desires and senses. Luxury also has a privileged relationship with the past, with history, with tradition (it's the so-called heritage); (Sole24ore, Le tendenze del mercato del Lusso per il 2023, 2023).

Certainly, this is true for most goods, while obviously not for technological ones.

Another characteristic of luxury goods is their futility, in the sense that their value is not determined by their functionality.

For a luxury item, the aesthetic intention of the creator holds great value: when judging a luxury good, one cannot overlook the aesthetics and taste of the person who created that product.

Let's reflect on a widespread belief: if an item comes from a prestigious brand, it is unthinkable that it is of poor quality. This perspective reveals a considerable susceptibility on our part, as consumers, significantly influenced by the particular realm of luxury in which we decide to position ourselves. Exploring the segment of accessible luxury that is on the rise, we find that the purchase of luxury goods becomes a symbol of aspiration. These products offer the illusion of living a different life, allowing us to identify with public and famous figures who promote such items, instilling the sensation of adopting that lifestyle.

In the context of "embarrassing" luxury, the acquisition of prestigious goods transforms into a tool to impress, a means through which to flaunt wealth and status to gain recognition and admiration from others. This need to appear and be recognized underscores an external search for validation.

Conversely, in the realm of reassuring luxury, the impulse to purchase arises from a deeply personal motivation. In this case, the luxury good is not just a purchase but a true reward: it satisfies a passion, follows a genuine interest, or fulfills a deep desire, bringing with it a sense of personal and cultural gratification.

When we move towards aristocratic luxury, the purchase takes on a different connotation. In this scenario, the acquisition of luxury goods is guided by an awareness of belonging to an elite, supported by the knowledge of one's financial capabilities and resources. This type of luxury is marked not only by wealth but also by a sense of belonging to a distinct social group, where such purchases are often symbols of recognized and anticipated status.

Analyzing these motivations, it becomes evident that the psychological mechanisms associated with reassuring luxury are the least harmful. This is because they reflect a search for pleasure and satisfaction that is both cultural and personal, resulting in experiences of success and fulfillment. Conversely, the pursuit of appearance, ostentation, or emulation of others often leaves a void, as it depends on external recognition or aspirations that are not easily satisfied. Even in aristocratic luxury, certain norms of behavior, while prescribed by social conventions, do not arise from a free choice, potentially generating feelings of dissatisfaction or unhappiness.

The allure of luxury, ultimately, lies in its ability to touch the deepest chords of our being: it is tied to our emotions, our feelings, our expectations, and more generally, to human aspirations, offering us a window into what we desire to be or have in our search for identity and personal fulfillment.

The concept of luxury has inevitably undergone a change in recent years, as social media have led to a different way of perceiving things and seeing the world. The continuous availability of information and communication has made us subjects of a system that seeks perfect people, consequently leading to associations with what luxury can bring into each of our social lives, namely charm, prestige, and status. It is therefore obligatory to connect to the concepts of accessibility and exclusivity.

The internet allows consumers to view all the products they desire in real-time and whenever they want, making them available and just a click away. Consequently, brands have had to explore new ways to maintain the exclusivity they have always promised, through time-limited offers or customizations. This sort of democratization of luxury has allowed an increasingly broad audience to participate. A key element for the growth of the luxury sector up to 2030 will be generational changes. Generations Y and Z have supported market expansion in 2022. By 2030, it is predicted that the purchasing and persuasive power of generations Z and Alpha will increase almost three times faster than that of previous generations, accounting for approximately one-third of the entire market. This concept, which we will delve into later, explores how the influence of new generations is leading to increased sales and greater awareness.

In the case study of Elmar, which will be analyzed in the following chapters, it will become clear how these new generations are becoming increasingly prominent in the market. Indeed, the younger demographic is the primary target audience on social channels, thus acquiring knowledge and bringing the quality and beauty of products to the older and more familiar target audience.

1.2 The Luxury Pyramid.

Danielle Allérès, one of the pioneers in the field of luxury, conceived the "Luxury Pyramid" in 1997, an innovative analytical tool aimed at unveiling the subtle nuances that characterize the world of luxury. This model functions to understand consumer desires and the methods they adopt to satisfy them. It presents a step-by-step structure divided into three main categories: Accessible Luxury, Intermediate Luxury, and Exclusive Luxury, highlighting the different levels of accessibility associated with luxury.

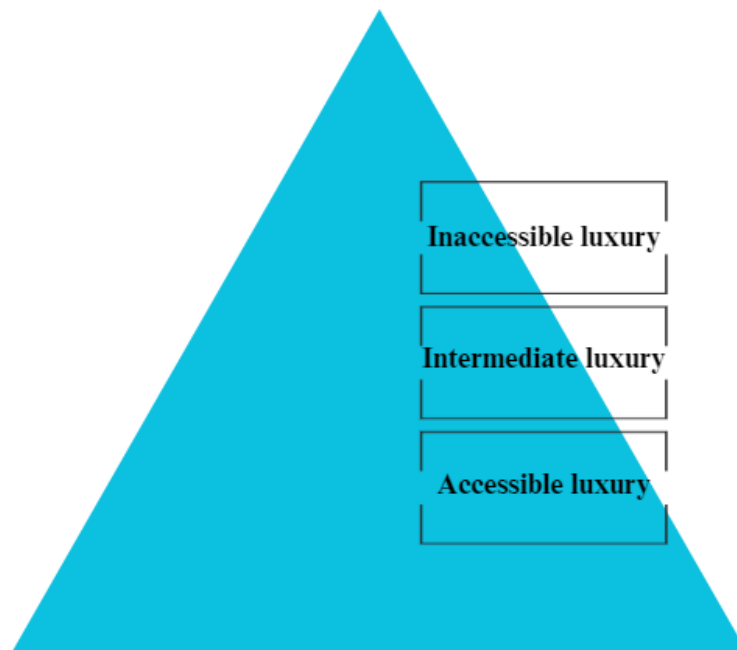


Figure 1 Allérès Luxury Pyramid

Inaccessible Luxury: Products belonging to the category of exclusive luxury are perceived by the majority of consumers as unattainable due to the significant price difference compared to the average cost of similar goods on the market. In addition to price, another determining criterion in the purchasing process is represented by the cultural factor: a significant portion of luxury consumers possesses a sensitivity that

allows them to recognize and appreciate the quality and excellence of products, which are considered true "masterpieces for connoisseurs". These are often bespoke products, made in limited editions, extremely personalized, and usually positioned at a higher price range than average.

Intermediate Luxury: At the immediately lower step, we find intermediate luxury, characterized by high-quality and unique products but with a lower level of exclusivity compared to those described earlier. An example common to this category is the world of fashion and typical ready-to-wear goods. This market segment took shape in the 1970s when Italian fashion companies began offering products that combined the creativity of haute couture with the industrialization of the textile supply chain. This gave rise to the so-called ready-to-wear luxury, positioning such goods on the market in a price range three to five times higher than the mass market.

Accessible Luxury: At the base of the luxury scale, Danielle Allérès places accessible luxury, which includes goods produced and widely distributed on a large scale. These goods are positioned in the luxury segment primarily through brand communication rather than the intrinsic uniqueness of the product, giving rise to the concept of "luxury democratization". This market strategy, adopted by various companies mainly in the 1980s, is known as trading down, allowing these brands to reach a wider audience while maintaining sustained growth, thus representing an entry point into the world of luxury. These brands are distinctly different from mid-range brands in terms of prestige but are more accessible than traditional luxury brands.

1.3 The Pyramid of Needs by Maslow.

The concept of luxury has always played a fundamental role in society, serving as a symbol of status, power, and sophistication. Categorizing the concept of luxury is very difficult as it is broad and subjective, carrying different connotations based on people's tastes and ideas. Traditionally, luxury refers to goods or experiences that go beyond the necessary and ordinary, offering superior quality, exclusivity, and an aura of prestige. However, the perception of luxury is deeply subjective and varies widely among different cultures, historical periods, and individuals, influenced by economic, social, and personal factors.

In the context of consumer psychology, luxury can be seen not only as an external expression of wealth but also as a reflection of internal needs and desires. This perspective is closely related to Abraham Maslow's hierarchy of needs, a psychological model, revisited in a marketing context, which categorizes human needs into five hierarchical levels: physiological needs, safety needs, social needs, esteem needs, and, finally, self-actualization.

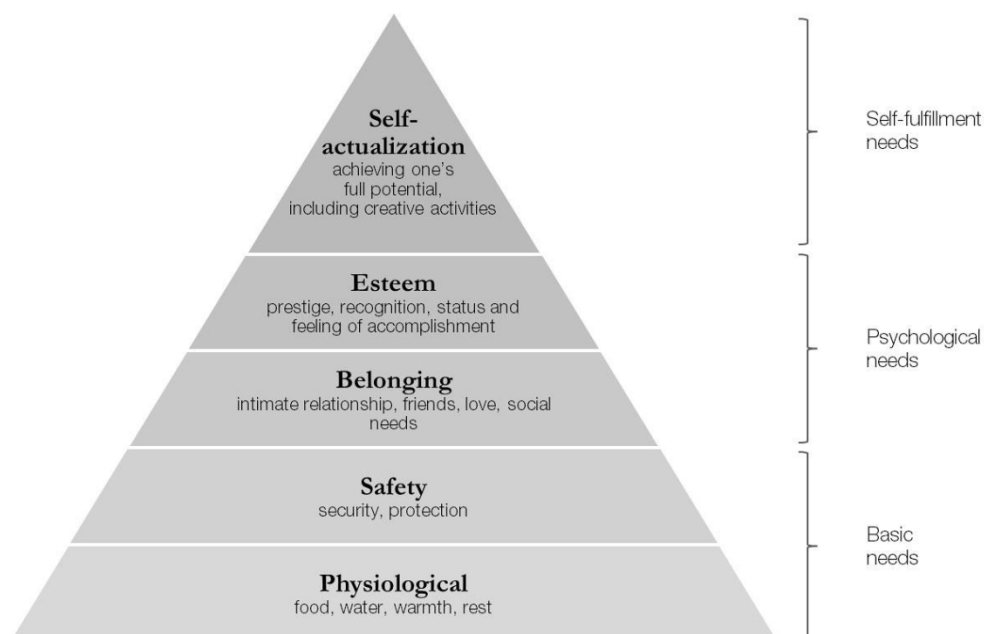


Figure 2 The Pyramid of Needs by Maslow.

At the lower levels of the pyramid, needs are fundamental, such as the need for nourishment to survive and for security. As one ascends the pyramid, needs become more psychological and social, culminating in the desire for self-actualization, which is the need to realize one's potential and pursue personal aspirations. Continuing up the scale of the pyramid deepens the analysis of the psychological and social levels that characterize the human experience. At the center of this pyramid, we find the need for belonging, a fundamental driving force in the life of every individual. This need manifests through the desire to establish and maintain meaningful relationships, such as those of friendship, love, and professional connections. It extends to the search for acceptance and appreciation within groups with which the individual identifies. As social beings by nature, humans aspire to feel part of a community, finding affirmation and security in the recognition and support of their peers.

As one ascends in the hierarchy, they encounter the need for esteem, which represents the necessity to obtain recognition and positive evaluation for one's actions and achievements. This level is closely linked to the concept of social status and stratification within society. Esteem includes both self-esteem, derived from positive self-assessment of one's abilities and successes, and external recognition, expressed through admiration and respect from others. In this context, competitive dynamics and comparisons emerge, where success and prestige become parameters for individual evaluation and differentiation.

At the apex of the pyramid lies self-actualization, the highest and most personalized level, reflecting the realization of one's potential and the fulfillment of one's deepest desires. This stage is characterized by the pursuit of happiness, the drive for creativity, and the need to give meaning and unique value to one's existence. Self-actualization is manifested when the individual manages to overcome external and internal obstacles, dedicating themselves to their passions, talents, and the achievement of meaningful personal goals.

Luxury goods and services, with their ability to symbolize status and exclusivity, primarily fit into the needs for esteem, contributing to social recognition and individual differentiation. Although they do not satisfy physiological needs, these objects and experiences are sought after for their intrinsic meaning and what they represent: success, prestige, and the realization of lofty aspirations. Through the possession and use of luxury goods, individuals communicate to the external world and to themselves the achievement of a certain level of social and personal success, integrating these symbols into their path towards self-actualization.

1.4 Why are consumers attracted to luxury products?

Why are consumers attracted to luxury products? To better understand consumer behavior, economic theory and psychology explore various dynamics that influence purchasing behavior, especially in the context of luxury goods. Among these, stand out the concepts introduced by Harvey Leibenstein and Thorstein Veblen, which offer explanations as to why consumers choose certain products based on motivations that go beyond simple utility or monetary value.

Veblen Effect: It analyzes that the demand for certain goods increases as their price rises, contrary to what one would expect from the law of supply and demand.

Consumers purchase these products not only for their intrinsic quality but also for the distinctive effect that possession entails, thus highlighting the link with the need for esteem and social recognition.

The Snob Effect occurs when consumers prefer goods or services that are perceived as unique or exclusive, and whose appeal partly derives from their limited availability. Consumers want to distinguish themselves from the masses by consuming products that few others have, thus reinforcing their social status and individuality. This desire for differentiation is closely linked to the need for esteem and individual recognition in Maslow's hierarchy of needs, as seen in the previous paragraph.

The Bandwagon Effect describes the tendency of consumers to purchase a good simply because it is becoming popular among other consumers. This phenomenon is based on

the desire for conformity and belonging to a group or social trend. Purchasing goods perceived as popular helps individuals feel part of a community.

Beyond these concepts, it is correct to investigate further aspects that influence purchasing decisions and the way of thinking in relation to a brand or a product. For example, luxury brands hold extraordinary power in shaping consumers' perceptions and their purchasing decisions. This power stems not only from the intrinsic quality of the products but also from the added value that the brand itself confers. Brand loyalty, brand identity, and brand positioning are key components that deeply influence consumer psychology. Luxury brands do not simply sell products; they sell dreams, status, and a sense of belonging to an exclusive social group. Through targeted marketing strategies and engaging brand narratives, consumers are induced to perceive these goods as essential for their social status and for the expression of their personal identity.

Cultural and social factors play a crucial role in shaping the consumption of luxury goods. Differences between cultures can be significant, with various societies valuing different aspects of luxury depending on their norms, values, and inherent attitudes. For example, in some cultures, luxury may be primarily associated with visibility and status, while in others, it may be more closely linked to quality and craftsmanship. Reference groups and social media further amplify these cultural differences, influencing consumers' luxury aspirations and shaping their perceptions and desires through exposure to idealized lifestyles and influential opinions.

Finally, the growing interest in sustainability and ethics represents a significant trend in luxury goods consumption. Modern consumers (Veblen) are increasingly aware of the environmental and social impact of their consumption choices. This has led to a growing demand for luxury goods that not only meet traditional criteria of exclusivity and quality but are also produced responsibly. Companies are thus challenged to balance the desire for exclusivity and prestige with the need for sustainable and ethical practices, a challenge that requires deep reflection on their supply chains, materials used, and labor policies.

In conclusion, the consumption of luxury goods is a complex phenomenon rooted in deep psychological motivations and influenced by a variety of cultural, social, and ethical factors. Understanding these factors is essential for companies seeking to navigate the luxury market responsibly and for consumers who wish to make informed purchasing choices.

1.5 The approach to corporate sustainability

The concept of sustainability, understood as the development of current needs without compromising the opportunities of future generations, is gaining increasing recognition and importance, especially in business management and the business decisions that brands have to make year after year. In an era characterized by increasingly climate change, loss of biodiversity, and environmental degradation, the pressure on individuals, communities, and nations to adopt sustainable practices is stronger than ever.

Companies, whether small, medium, or large, play a crucial role in this transformation process. It is essential that they adopt behaviors and strategies aimed at protecting the planet, integrating sustainability principles into their strategic operations. This must be reflected not only in reducing the ecological footprint through energy efficiency practices and waste reduction but also through involvement in initiatives that promote corporate social responsibility and sustainable economic development. Adopting such behaviors not only contributes to environmental protection but also offers long-term economic benefits, strengthening business resilience and enhancing reputation among consumers and partners.

In a broad sense, adopting a sustainable approach can be considered as the triumph of collectivism and solidarity over individualism and selfishness. Herman Daly, an American economist considered one of the founding fathers of ecological economics, has proposed the concept of a "steady-state" economy as a model that aims to balance economic growth with environmental sustainability, emphasizing the limits of development and the importance of maintaining natural capital.

Since the explosion of economic growth following World War II, we have entered an era of unprecedented material abundance. (Daly, 2022) However, our behavior has not kept pace with this reality; we persist in predatory behavior, acting as if resources were infinite and available for a boundless future. The foundations of neoclassical economics, conceived in a context that has now radically transformed, are proving inadequate in the face of the pressures humanity is exerting on the planet's natural limits, often exceeding them, both locally and globally.

Our fixation on incessant economic growth is leading us towards an ecological precipice, threatening the very foundations of our well-being and existence. To veer away from this dangerous path, it is imperative to embrace the concept of a steady-state economy that prioritizes qualitative development over quantitative expansion, recognizing and respecting the inseparable link between human economy and the global ecosystem. Adopting an economic model that values balance and sustainability will require deep reflection on the true meaning and purpose of economics. Herman Daly, in his handbook, proposes a radical transformation of economic thought, akin to a Copernican revolution, inviting people to rethink their priorities and adopt an approach that places the health of the planet and the well-being of future generations at its core.

The 2023 Summit on Sustainable Development Goals (SDGs), held in New York, represented a crucial moment in the global march towards a more sustainable and equitable future. This event marked a turning point, as it reached the halfway mark towards the 2030 target set by the 2030 Agenda for Sustainable Development, unanimously adopted by all 193 United Nations member states in 2015. (Nations, 2023)



Figure 3 The Agenda 2030 Goals.

The Agenda 2030 comprises 17 global goals, ranging from the eradication of poverty and hunger to ensuring quality education and combating climate change, aiming to transform our world into a more just and livable place for all.

During the summit, it was emphasized that despite progress, many of the goals are still far from being achieved. Therefore, the 2023 Summit aimed to reinvigorate global commitment to these goals, promoting a renewed sense of hope, optimism, and enthusiasm. World leaders, along with representatives from the private sector, civil society, and other organizations, were invited to join forces in a common front to strengthen action and commitment towards a radical transformation of our society and planet.

The "Rescue Plan for People and the Planet," presented at the summit, aimed to act as a catalyst for this transformation, calling for concrete commitment through the presentation of initiatives, policies, and commitments aimed at promoting significant

change. This plan aims to direct actions towards the pillars of social inclusion, environmental sustainability, and fair economic growth, emphasizing the importance of an integrated approach to address the interconnected challenges that the world faces today.

The summit's acceleration and accountability platform provided a showcase for these actions, highlighting initiatives that are already making a difference and pushing for further progress. It served as a call to action for all actors in society, emphasizing that achieving the SDGs by 2030 is not only an obligation but an unmissable opportunity to build a more sustainable and resilient future for future generations.

Yes, it is absolutely appropriate to focus on companies that represent excellence and embody the concept of Italian identity, quality, and craftsmanship for your thesis. Italian companies that are oriented towards eco-sustainable investments are often also the most dynamic in international markets. In the period from 2017 to 2021, over 530,000 companies decided to invest in green technologies and products. However, according to the Third Report of the Research Center on Made in Italy at the University of International Studies in Rome, nine out of ten companies in Italy are still not compliant with sustainability and social impact criteria. (Sole24ore, Made in Italy: le imprese italiane ecosostenibili sono le più dinamiche sui mercati, 2023)

It is important to note that 80% of Italian consumers consider the sustainability policies of companies important, even when purchasing through online channels. However, research shows that this environmental sensitivity and concern do not always translate into genuinely green consumption choices.

Maria Enrica Danese, Director of Institutional Communications, Sustainability Projects & Sponsorship at TIM, explained how the telecommunications giant managed to avoid increasing energy costs by investing in renewable sources. She argued that sustainability is never a cost but rather an opportunity and a winning economic model that requires investment in terms of training and new skills. This demonstrates the importance and value of integrating sustainability into business models to achieve long-term benefits.

The annual study "Seize the Change" by EY highlights an encouraging trend among Italian companies: a growing and concrete commitment to integrating sustainability into their core business. This paradigm shift is observed not only in large corporations, which traditionally led the sustainability agenda, but also in small and medium-sized enterprises (SMEs), demonstrating a widespread alignment towards more sustainable practices across various sectors.

There are 5 main themes analyzed in this edition, which allow for delineating, with qualitative and quantitative metrics, how companies position themselves on sustainability issues in terms of: sustainability plans, climate change, supply chain, sustainable finance, circular economy, and social impact.

"More and more companies are aware that integrating sustainability into business requires strategic planning that includes measurable objectives and the definition of adequate governance. The data collected confirms not only that large companies continue to lead the transition towards sustainable development, but also that SMEs are evolving towards increasingly sustainability-focused business models. From our study, it emerges that, despite the pandemic, the changing context has not had significant impacts on the transition towards more sustainable models for over one-third of the companies and has even led to an acceleration of activities planned in sustainability plans for about 20% of them," said Riccardo Giovannini, EY Italy's Climate Change and Sustainability leader. (EY, 2022)

Important is the fact that over 80% of listed companies have now developed sustainability plans, recording an increase of approximately 32 percentage points compared to 2020. This growth is accompanied by a significant increase in the number of companies that have set quantitative sustainability targets, rising to 30%. Furthermore, almost half of the surveyed companies (47%) have established specific objectives and actions for adapting to climate change, an improvement from 39% in 2021, with a particular focus on increasing the use of renewable energies.

The study also highlights the cases of excellence of five companies representative of different sectors, from furniture to metalworking, from agri-food to pharmaceuticals, to chemicals for construction, which have successfully implemented sustainability into their business strategies. These examples are a source of inspiration and demonstrate how the adoption of sustainable practices can not only reduce environmental impact but also open up new market opportunities, improve operational efficiency, and strengthen companies' competitive positioning in the market.

In conclusion, the "Seize the Change" study highlights a moment of transformation in the Italian entrepreneurial landscape, with widespread adoption of sustainable strategies marking an important step towards a greener and more responsible future. The direction taken by Italian companies is a positive signal that reflects a growing awareness of the importance of operating sustainably to ensure their long-term resilience and competitiveness.

1.6 The Three Dimensions of Sustainability "John Elkington"

The concept of sustainable development and sustainability has undergone various defining approaches; however, the widely accepted description comes from the famous Brundtland Report, which interprets sustainability as the ability of development to "meet the needs of the present generation without compromising the ability of future generations to meet their own needs."

This vision therefore extends its scope well beyond mere environmental considerations, including additional dimensions concerning individual well-being. In particular, economic and social components are emphasized.

In his 1997 article "Partnerships from cannibals with forks: the triple bottom line of 21st-century business," John Elkington introduces the concept of the Triple Bottom Line (TBL). This concept emphasizes the importance for businesses to pursue not only economic profits (bottom line) but also to consider the environmental and social dimensions in their operations, representing respectively the "three bottom lines" of environmental, social, and economic sustainability. (Elkinjton, 2020)

John Elkington proposed the TBL as a framework for businesses to assess their performance in a more holistic way that takes into account their impact on the planet (environmental), on people (social), as well as on profit (economic), thus promoting more sustainable development. The title "Partnerships from cannibals with forks" metaphorically refers to the need for companies to adapt and innovate in their business practices to be truly sustainable, sometimes "cannibalizing" their existing products or services in favor of more sustainable alternatives.

Sustainable development implies a continuous evolution of business performance through three fundamental dimensions. In his work, Elkington highlights three key areas on which companies should focus following the Triple Bottom Line (TBL) model: profit, people, and planet.

Profit: In addition to generating profit, companies should pursue long-term financial sustainability through responsible actions and business practices that ensure their resilience and ability to adapt to market changes. It is necessary for these companies to invest in innovations that not only promote the economic growth of the company but also are socially and environmentally responsible, such as the development of products or services that meet sustainability needs.

People: Actively commit to ensuring fair working conditions, with proper workplace safety, training opportunities, and professional growth for employees. Promote diversity and inclusion within the organization. Another fundamental aspect is commitment to the community. Contribute positively to the development of local communities through corporate social responsibility initiatives, such as education programs, healthcare, support for local economic development, and active participation in solving social issues.

Planet: Adopt business practices that reduce environmental impact, such as recycling, proper resource usage, reduction of greenhouse gas emissions, and sustainable waste management. Utilize a circular economy model that minimizes waste and maximizes resource reuse and recycling. (economiesuisse, s.d.).

The dimensions that Elkington analyses are:

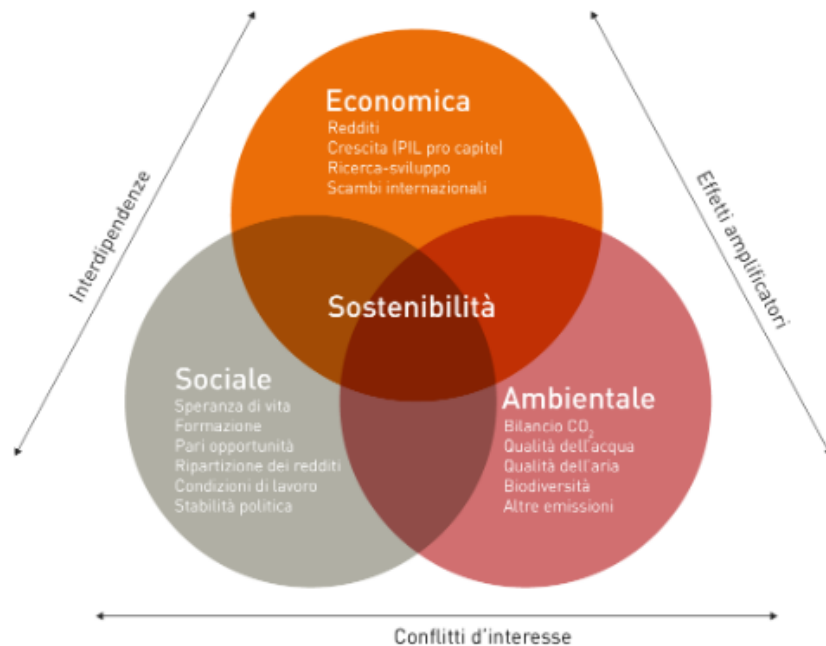


Figure 4 The three dimensions of sustainability

Environmental sustainability is defined by the ability to maintain and renew natural resources and ecological balances over the long term, ensuring the continuity of ecosystem functions and a harmonious relationship between human needs and the natural environment. This goal involves the implementation of strategies and measures aimed at reducing harmful effects on the environmental context, including:

- Sustainable resource management to prevent overconsumption and degradation;
- Preservation of biodiversity and protection of vulnerable habitats;
- Actions aimed at combating climate change phenomena;
- Promotion of energy efficiency and transition to renewable energy sources;
- Adoption of circular economy concepts;
- Encouragement of conscious consumption, aimed at waste minimization, recycling, and product reuse.

Social sustainability is manifested in the ability to build and maintain inclusive, fair, and open communities over time. This ambition is realized by addressing both legal issues, such as supporting human rights and social justice, and through assistance initiatives that respect all forms of diversity.

The importance of social policies aimed at ensuring equal opportunities for everyone and facilitating active participation of citizens and community members in decisions that directly affect them is also emphasized.

However, it is essential to begin by reducing disparities and combating all forms of discrimination, aiming for a context of equal opportunities and integration. For a community to be truly just, it is crucial that everyone has access to basic rights such as education, healthcare, respectable job opportunities, and an adequate income level.

Economic sustainability reflects the capacity of an economy to promote sustainable growth of collective well-being, offering job stability and sources of income for individuals. This concept is rooted in the adoption of a prudent approach to resource management, commitment to economic justice, long-term stability, and the ability to withstand external shocks.

This form of economic resilience is realized through achieving an optimal balance between economic progress, rational management of natural and energy resources, reduction of environmental impact, and facilitation of access to opportunities for all members of society. It implies the need for economic policies and initiatives aimed at enduring value, expanding the economic base through innovation, conscious use of available resources, increasing decent employment, and combating poverty.

1.7 Sustainability and Made in Italy

In Italian identity, the concept of Made in Italy represents not only a symbol of quality excellence and style but also embodies a profound connection with the concept of sustainability. This connection arises from the awareness that products are made taking into consideration the environment, people, and the economy. In this paragraph, we will explore how Made in Italy stands at the forefront of sustainable innovation, intertwining its historical, cultural, and artisanal roots with modern sustainable practices.

It is worth beginning by exploring four interconnected elements that have created a unique context for the development of Made in Italy:

- 1) The surrounding richness of heritage, history, culture, tradition combined with the "visual beauty", harmony, and "aesthetic excellence" found in its lands and territory.
- 2) The typical structure of small to medium-sized family-run businesses, deeply rooted in the local environment.
- 3) A lasting spirit of "invention" and open innovation, linked to the dynamics of various local districts with recognized excellence in specific sectors. These clusters are reinforced by the widespread presence of highly qualified Universities and Institutions for higher education, facilitating rapid accumulation of assets and specialized skills. In these districts, resources, information, and capabilities required to excel in specific sectors converge, promoting local rivalry and putting pressure on companies to invest and innovate.
- 4) A set of related and interconnected local stakeholders, which have grown alongside the company, has created an ideal context for environmental, social, and governance practices applied for decades and has created a mutually reinforcing system. These four interdependent elements generate internal excellence that drives global appreciation.

Il 16 luglio 2020 si è tenuto online il primo Osservatorio Fondazione Deloitte. (Deloitte, RiGeneration STEM. Le competenze del futuro passano da scienza e tecnologia, s.d.)

The observatory aims to promote fruitful dialogue on relevant social responsibility issues among institutions, the business community, the third sector, society, and last but not least, the educational system, in order to contribute to the implementation of concrete solutions. In the past year, it has focused on small and medium-sized

enterprises, the backbone of the Italian industry and Made in Italy, with the aim of exploring the challenges and priority issues that characterize the present and future scenario. The complexity of the scenario and the related challenges perceived as most impactful on business place companies in the position of having to operate proactively, implementing specific actions.

Regardless of individual actions and their own size, it is important for a company to be able to evolve rapidly and adapt to new conditions. (Deloitte, Sostenibilità ed ecosistemi virtuosi per rafforzare il Made in Italy, 2023)



Figure 5 Key actions to address the complexity of the scenario over the next 12 months.

In recent years, the growing interest in the topics of climate change and sustainability at large has introduced a critical variable for businesses, given its significant impact on production processes and regulatory developments. The advancement towards a fully

sustainable and inclusive economy and financial system, in harmony with the European Green Deal and the United Nations Sustainable Development Goals (SDGs), has necessitated an improvement in corporate communication regarding sustainability, focusing on the three ESG dimensions (Environment, Social, Governance). Through the introduction of the Corporate Sustainability Reporting Directive (CSRD), companies are seen as primary responsible parties for the environmental impact of their production, a perspective that will face further pressure in the coming years, especially among younger generations. Despite significant variations across different sectors, production systems often play a predominant role in greenhouse gas emissions, land consumption, and pollution of air, soil, and water, thus contributing to the numerous risks threatening biodiversity and human health.

With the advent of new digital media, the opportunities to accumulate, compare, and thoroughly evaluate information regarding supply chain certifications and the sustainability of specific products have exponentially increased. Additionally, it is important to consider consumer psychology, which views sustainability not only as a current issue but also as a sign of social belonging. Consequently, adopting a sustainable lifestyle becomes a means to elevate one's image and reputation among friends, family, and colleagues.

The widespread dissemination of media has made consumers more demanding and critical of companies that adopt unethical or non-transparent business practices, exposing them to significant reputational damage, sometimes almost impossible to recover from. For 81% of companies, taking an "active role" in this context primarily means behaving responsibly. Business priorities to maintain and strengthen trust and reputation include employee satisfaction (44%), financial stability (39%), and commitment to the environment (27%).

CHAPTER 2: CSR, Sustainability and Corporate Image: 3 determining factors for Italian SMEs.

2.1 CSR: Corporate Social Responsibility.

Corporate Social Responsibility (CSR) is a concept that reflects the commitment of companies to integrate social and environmental considerations into their business activities and relationships with stakeholders. This approach involves considering the social and environmental impacts of business actions, adopting ethical policies, positively interacting with local communities, and efforts to promote social well-being and environmental sustainability.

CSR has emerged as a response to the growing awareness among consumers and communities about the impacts of business activities on the environment and society. (Sengur, 2021) Companies that adopt CSR practices can benefit from increased consumer trust and loyalty, an improved corporate reputation, and often gain long-term competitive advantages. Additionally, CSR can help mitigate reputational and legal risks, improve relationships with stakeholders, and promote a positive work environment.

The implementation of CSR can include various initiatives (Abdelaziz, 2024), such as reducing carbon emissions, adopting pay equity policies, engaging with local communities through volunteer programs and donations, and maintaining transparency in business practices. Moreover, many companies are integrating CSR into their strategic plans and business decision-making processes, making it an integral part of their organizational culture and daily operations.

In recent times, the perspective that considers meeting the needs of all stakeholders as a fundamental requirement for the sustainable creation of long-term value has gained increasing attention in the economic and business landscape, as well as in professional practice (Freeman, 1994; Donaldson and Preston, 1995; Clarkson, 1995) (ONESTI,

et.al, 2019). The concept of Corporate Social Responsibility (CSR) has emerged as a central theme in this context. Several scholars argue that social and environmental commitment can be a significant source of competitive advantage for companies (Hart, 1995). Empirical research has corroborated this idea, showing that socially responsible behaviors generate positive impacts on corporate performance (Waddock and Graves, 1997; Van Beurden and Gossling, 2008; Kim and Kim, 2014), with benefits including the reduction of operating costs and financial risks, improvement of efficiency and competitiveness, as well as the enhancement of corporate reputation and consumer trust (Barney, 1991; Porter, 1991; Hammond and Slocum, 1996; Porter and Kramer, 2006; Bird et al., 2007; Weber, 2008; Flammer, 2014, 2015).

The growing interest in corporate social responsibility (CSR) and sustainable development has led to a radical reassessment of corporate governance models. This has resulted in the adoption of a new strategic approach to business management, which goes beyond the mere pursuit of maximal profit. This new approach seeks to balance economic success with environmental protection, social cohesion, and a more equitable distribution of the value generated.

2.2 The impact of social responsibility towards consumers.

Corporate Social Responsibility (CSR) has become a central element in today's business world, playing a crucial role in creating and maintaining positive relationships with consumers (heng, et al., 2021; Abdelaziz, 2024). CSR represents the commitment of companies to carry out activities that improve social, environmental, and economic well-being, going beyond legal requirements and stakeholder expectations. This commitment not only enhances the company's reputation but also establishes an emotional and trust-based connection with consumers, positively influencing their perceptions and behaviors.

Today, social media has transformed the way companies communicate their CSR initiatives and interact with the public (Guping Cheng 1, 2022). Social platforms provide a direct and immediate channel to share stories, updates, and results of CSR

activities, allowing consumers to observe in real-time the company's commitment to social and environmental causes. This communication not only increases the visibility of CSR initiatives but also promotes active consumer participation, creating a sense of community and engagement.

One of the key aspects of CSR is its effect on consumer attitudes towards the brand. Studies have shown that CSR activities aimed at customers on social media can generate positive perceptions that influence consumer attitudes towards the brand. This attitude, understood as the consumers' evaluation of the brand based on its ability to meet certain needs, is crucial for shaping customer behavior positively. A favorable brand attitude can, for example, increase purchase intentions and stimulate positive word of mouth (WOM), further amplifying the impact of CSR initiatives.

Electronic word of mouth (E-WOM) refers to any positive or negative comments or reviews made by potential, current, or past customers about a product or company, and shared publicly on the Internet. This occurs through various online platforms such as forums, blogs, social media, review sites, and other digital channels where consumers can communicate their opinions and experiences. E-WOM is considered a highly influential marketing tool because online recommendations and reviews can significantly impact the purchasing decisions of other consumers. (M., Arce-Urriza, & Cebollada, 2021)

E-WOM is particularly important in the digital age. When consumers share their positive experiences regarding a company's CSR activities on social media, these testimonials can reach a wide audience, strengthening the brand's reputation and attracting new customers. CSR activities that directly involve consumers, such as awareness campaigns or volunteer initiatives, can generate strong E-WOM, as consumers tend to share content that they find meaningful and valuable for their social network.

Consumer attitudes towards the brand also act as a mediator between CSR activities and behavioral intentions such as purchase and E-WOM. When consumers perceive that a company is genuinely committed to social and environmental causes, they develop an

emotional attachment to the brand, increasing their loyalty and likelihood of recommending it to others. This brand attachment not only improves the retention of existing customers but also attracts new consumers who seek companies with values aligned to their own.

Moreover, trust is a crucial element that mediates the relationship between CSR and consumer behavior. Transparent and authentic CSR activities build trust, which in turn reinforces purchase intentions and positive word of mouth. Consumers tend to support and remain loyal to brands they trust, viewing their CSR initiatives as genuine commitments rather than mere marketing strategies.

In conclusion, CSR plays an essential role in creating and maintaining a strong and positive bond between companies and consumers. Effective CSR activities, especially when communicated through social media, not only enhance the company's image but also positively influence consumer attitudes, purchase intentions, and their propensity to share positive experiences. In this way, CSR becomes not only a moral and social duty but also a crucial strategy for long-term business success.

The awareness of being part of a community, the importance of earning consumer trust, the attention to product quality, the health and safety of working conditions, the protection of artistic and environmental heritage have all contributed to enhancing the concept of social responsibility and seeking a market model that can be both fairer and more effective. On the occasion of the annual European CSR conference, Barroso, President of the European Commission, stated that “a new culture of ethics and responsibility is essential not just to restore the brand image of particular enterprises but to restore people’s faith in the market economy itself. People still want markets, but they want markets with a conscience.” (Marco Ruggieri, 2020)

2.3 The importance of sustainability for competitiveness and corporate image.

Sustainability has become a fundamental component for companies that want to maintain a prominent position in the current economic context. Ignoring this trend can not only deteriorate a company's reputation in its sector, but it can also lead to increasingly severe legal and regulatory consequences related to environmental protection. Companies that are proactive and capable of anticipating and adapting to the many market changes not only ensure their continuity in their sector but also have the opportunity to set new standards for innovative and responsible business ethics. This approach strengthens their competitive profile and improves relations with consumers, who are increasingly sensitive to environmental policies. Ultimately, integrating sustainability into business operations is essential for companies that aspire to lead the market with examples of excellence and social responsibility.

Companies that incorporate sustainability as a fundamental pillar of their business strategies not only respond effectively to growing market demands but often manage to gain a significant competitive advantage. By adopting sustainable practices, these companies can reduce operating costs in the long run by minimizing waste and optimizing energy efficiency. Sustainability also acts as a powerful driver of innovation, encouraging companies to design and launch new products and services that meet the growing ecological expectations of consumers.

In addition to these tangible benefits, a commitment to sustainability significantly strengthens a company's public image. In an era where social media can rapidly alter public perception, having a corporate image associated with responsibility and environmental care is more crucial than ever. Companies perceived as socially responsible are often rewarded with greater trust and loyalty from consumers, which translates into a sustainable competitive advantage. This earned trust not only increases the loyalty of existing customers but also attracts new customers who value ethics and responsibility. (Osman, 2021) Furthermore, in times of uncertainty or crisis, these

companies demonstrate superior resilience, maintaining a solid customer base and a reliable reputation. These attributes not only safeguard a company's market position but can also open new business opportunities and partnerships, leading to sustained growth and continuous improvement in their operations and offerings.

Today, companies of all sizes must manage their “Green Reputation.” This term refers to the public image and perception that the public has of a company in relation to its sustainable policies and actions. Having a robust green reputation means that the company actively dedicates itself to reducing its environmental impact, responsibly managing natural resources, and supporting initiatives that promote sustainability. This reputation is not solely based on the actions taken by the company but also on how it communicates and engages transparently with the public and stakeholders. Therefore, the concept of transparency becomes increasingly fundamental at all organizational levels.

Companies with a strong green reputation often stand out from their competitors, gaining a tangible competitive advantage. Consumers are increasingly inclined to prefer companies that demonstrate a genuine commitment to sustainability. This phenomenon is spreading rapidly, also influencing business-to-business interactions and contracts. A company strongly oriented towards sustainability will be inclined to establish business relationships exclusively with partners that reflect similar ecological values.

Professionals who prioritize sustainability are also attracted to companies that reflect their principles. A robust green reputation not only helps companies attract but also retain high-caliber talent, a particularly critical aspect in recent years, given the challenge Italian companies face in finding qualified personnel and preventing their migration to other organizations.

Investors are increasingly inclined to favor sustainable practices. A company with a strong green reputation might find it easier to access funding and investments, being seen as a likely candidate for future success. There is also the advantage of savings, which extends to various elements of the balance sheet. The introduction of sustainable practices often leads to significant long-term cost savings. Energy efficiency, waste

minimization, and responsible resource management can increase profitability, especially in a period marked by high energy costs influenced by a very volatile international political context.

2.4 Differences in perception and implementation of sustainability between large companies and SMEs.

Sustainability is an evolving field that has gained significant prominence in the collective consciousness since the 1990s, attracting substantial academic and political attention. Issues related to sustainable development have transformed the business landscape, emerging as key factors for corporate success. In particular, large companies have integrated sustainable activities into their business strategies to achieve long-term benefits.

The debate on what constitutes sustainability has been intense. As reported in the article "Sustainability in Small and Medium-Sized Enterprises: A Systematic Literature Review and Future Research Agenda," the Brundtland Commission of the United Nations defined sustainability as "the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs." However, despite efforts to define the term, there is still no universally accepted definition in the literature. Sustainability is primarily a contextual concept, tied to temporal and social contexts.

In the context of the United Nations' 2030 Agenda, (Martins, et.al, 2022) SMEs play a crucial role in achieving sustainable development goals, being the mainstays of economic development and local communities. This is particularly true in Italy, where SMEs are the primary economic drivers. The limited diffusion of sustainability principles among SMEs can be attributed, in part, to their tendency to be undercapitalized. The adoption of sustainable practices often requires significant initial investments that tend to provide economic returns only in the long term. The scarcity of available capital can therefore represent a significant obstacle to the integration of sustainability within SMEs (Burinskienė, 2024).

In addition, another aspect to consider is the dominant corporate culture in Italy, characterized by a large presence of family-run businesses. These companies often show resistance to changing their internal business vision towards an approach that includes external considerations, such as supply chain sustainability and cooperation with other entities. Overcoming these obstacles requires not only a cultural shift but also economic incentives and regulatory support that can facilitate SMEs in transitioning to more sustainable practices (Burinskienė & Nalivaikė, 2024).

In a study by Istat (Istat, s.d.), it is estimated that 50.4% of service companies undertook sustainability actions in 2022. Among these, 42.1% carried out environmental protection initiatives, 40.3% social sustainability practices, and 35.2% of companies engaged in economic sustainability actions. The most active are large companies.

The most undertaken actions by service companies include increasing energy efficiency (23.1%) and using energy from renewable sources (22.2%), followed by savings in product transportation (19.4%). For circularity, 16.7% of companies use secondary raw materials, 13.3% initiate regeneration/reuse of places or cultural assets, 13% recycle water, and 8.2% participate in industrial symbiosis.

Furthermore, 52.5% of service companies stated they plan to undertake environmental protection initiatives in the future, with a greater commitment in every investigated action. In addition to an increasing commitment to energy-related initiatives, there is a noted rise in actions connected to the circular economy. For the period from 2023 to 2025, an increase in companies engaged in social responsibility practices is expected, involving about 65% of manufacturing companies active in this area.

Global and national institutions have embraced and promoted an expansion in the concepts of growth and development. This has led to a broader conception that no longer limits itself exclusively to economic indicators but also includes environmental and social indicators, both qualitative and quantitative.

True sustainable development seeks a lasting balance between economic, environmental, and social aspects. These dimensions are so intimately linked and interconnected that they require a holistic approach, with a constant eye on the future.

Year after year, market research confirms a growing consumer interest in the environmental and social aspects of the products they purchase, and this trend seems to persist despite the economic turbulence caused by pandemics and conflicts. A significant finding emerged from the Coop 2022 Report, which indicated that the main concern of Italians for the future remains the environmental emergency and climate crisis, surpassing inflation and international conflicts such as the war in Ukraine. A survey conducted in the summer of 2022 (Confindustria, s.d.) by BCG in eight of the world's major economies (including Italy) explored the link between consumption and sustainability in twelve different sectors. Although only a small percentage (less than 7%) is willing to pay a premium for sustainability in every case, about 70% of consumers still consider sustainability in their purchasing choices, demonstrating widespread, albeit variable, interest in this issue.

Tabella 3.1 - Livelli di intensità della sostenibilità dei consumatori su dodici settori

(% di consumatori per ogni livello)

	Vendita al dettaglio di generi alimentari	Snacks	Lusso	Fornitori di energia	Viaggi di piacere	PC e tablet	Automobili	Bevande	Cosmesi	Abbigliamento	Pasti fuori casa	Cura della casa
Consumatori interessati alla sostenibilità (1)	69%	62%	49%	80%	70%	74%	80%	68%	71%	71%	62%	75%
Consumatori che adottano comportamenti sostenibili (2)	32%	27%	21%	60%	34%	41%	39%	31%	33%	38%	53%	57%
Consumatori che agiscono acquistando prodotti e servizi sostenibili (3)	7%	8%	9%	10%	10%	11%	11%	12%	12%	12%	16%	18%
Consumatori che pagano un premio per la sostenibilità (4)	2%	3%	3%	4%	1%	4%	3%	4%	4%	3%	4%	7%

(1) Domanda: Per lei quanto è probabile pensare alla sostenibilità nelle decisioni di acquisto in questo settore?

(2) Domanda: Quanto spesso si impegna nei comportamenti sostenibili elencati per questo settore?

(3) Domanda: Quanto spesso si impegna nelle scelte di acquisto sostenibile elencate per questo settore?

(4) Percentuale di consumatori totali che agiscono acquistando prodotti e servizi sostenibili e il cui ultimo acquisto aveva un prezzo maggiore a causa della sostenibilità.

Fonte: Boston Consulting Group.

Fonte: Boston Consulting Group

All companies, including small and medium-sized enterprises, are now required to demonstrate their ability to manage their social and environmental impacts, as well as having effective governance systems. In this period of significant upheaval, often characterized by confusion, it is crucial to stay calm. Faced with pressing and sometimes unclear demands from governments, customers, and investors, companies might feel tempted to seek "ready-made" solutions and "sustainability packages" that may not be suitable for their reality. Or, even worse, they might fall into the trap of trying to quickly make up for lost ground through risky communication initiatives, potentially harmful if not accompanied by concrete actions (e.g., greenwashing).

The best way to proceed is to embark on a strategic reflection process aimed at defining medium-term sustainability goals and charting the path to achieve them, based on their own vocations and peculiarities, and trying to enhance what has already been accomplished. Italian companies, with their intrinsic values of beauty and the sweet life, have undeniable potential that is just waiting to be properly developed.

2.5 The Sustainability Plan in 2024

A sustainability plan is a strategic document that outlines the goals and actions that an organization or company intends to undertake to improve its sustainability in environmental, social, economic, and relationship management terms. It is a fundamental tool for addressing current challenges related to climate change, the depletion of natural resources, and corporate social responsibility.

The essential components of a sustainability plan include:

1. **Objectives and strategies:** The plan defines the organisation's long-term goals to become more sustainable and the strategies to achieve them. These goals may relate to reducing environmental impact, improving the well-being of human resources and increasing engagement in local communities. The strategies

outlined in the plan indicate the actions and resources needed to achieve the goals.

2. **Planning:** Each action foreseen in the plan is planned to be executed in a logical and sequential manner, taking into account the available resources and establishing a defined implementation date.
3. **Measuring and monitoring:** The plan also includes a system for measuring and monitoring progress towards established goals. This involves identifying sustainability indicators that assess the impact of actions taken on the environment, people, the community and the company itself. Regular monitoring allows the effectiveness of the strategies to be assessed and corrections to be made if necessary.
4. **Participation and involvement:** It is important to involve all significant stakeholders, such as employees, suppliers, customers, local communities and investors, in the preparation of the sustainability plan. This ensures that strategies and actions are aligned with the needs and expectations of those who interact with the company, and helps to set realistic, relevant, measurable and achievable goals.

The interest of Italian small and medium-sized enterprises (SMEs) in social and environmental sustainability is steadily increasing. According to the latest edition of Kaleidos Impact Watch, the Banca Ifis (Sole24Ore, s.d.) Observatory that analyzes these aspects, 54% of Italian entrepreneurs are allocating resources to the social sector, while 42% are involved in initiatives aimed at promoting the transition to a more sustainable economy.

The report highlights the significant progress made by Italian SMEs in recent years in developing sustainable strategies, especially through the establishment of internal structures dedicated to this goal. The main investments are focused on the social and environmental fields, attracting greater corporate resources, also due to the growing

awareness that, in addition to being a fundamental ethical choice, they can bring tangible benefits to business models. In recent years, small and medium-sized enterprises (SMEs) have increasingly committed to strategic sustainability planning, creating specific action plans. This change is driven by several factors:

- **Increasing Awareness:** SMEs are increasingly understanding the importance of social and environmental sustainability to ensure their long-term survival. Beyond being an ethical imperative, sustainability is seen as a crucial element for the company's competitiveness and resilience.
- **External Pressures:** SMEs are subject to growing pressures from customers, suppliers, investors, and civil society to adopt more sustainable business practices. This pressure pushes them to demonstrate a concrete commitment to social and environmental responsibility.
- **Market Opportunities:** SMEs are increasingly recognizing the market opportunities linked to sustainability. Adopting sustainable practices can open new doors, attract customers sensitive to environmental and social issues, and improve the company's image.
- **Regulatory and Financial Support:** Government policies and sustainability-oriented funding initiatives provide SMEs with incentives and resources to develop and implement their sustainability plans.

As a result, SMEs are developing sustainability plans that reflect their specific needs, resources, and operational contexts. These plans can include well-defined objectives, strategies to reduce environmental impact, initiatives to improve stakeholder engagement, programs to incentivize employees, and tools to monitor and report progress. In this way, SMEs demonstrate their commitment to sustainable and responsible economic growth.

2.6 Analysis of strategies used by SMEs to communicate their commitment to sustainability

Corporate communication can vary significantly depending on the objectives and the target audience. In traditional communication focused on products and commerce, the primary goal is to promote products or services to generate sales. This type of communication tends to focus on product features, benefits, and differentiation from competitors, using direct messages that often include information on prices, promotions, and special offers. Success metrics in this area are generally linked to increased sales, market share growth, and customer acquisition. The tone of this communication can be aggressive and persuasive, designed to prompt an immediate reaction or purchase.

On the other hand, sustainable communication focuses on raising awareness about environmental and social sustainability issues, highlighting the company's commitment to responsible practices. This type of communication aims to strengthen corporate reputation and build trust in the brand by emphasizing the company's efforts to reduce emissions, promote recycling, and maintain ethical sourcing policies. The success of this communication is measured by its ability to influence public perception of the brand and engage various stakeholders, including customers, partners, employees, investors, and the broader community. The style and tone of this communication are more informative, educational, and often collaborative, aimed at building long-term relationships based on trust and transparency.

In summary, while commercial communication (Marketing, s.d.) focuses on the immediate promotion of products, sustainable communication is oriented towards building a lasting relationship with stakeholders, based on shared values of social and environmental responsibility. The latter not only positively influences brand perception but also contributes to collective well-being by integrating ethical and sustainable principles into the corporate narrative.

When a company bases its sustainability on reworking its processes and products, it is essential to communicate the results only after completing this journey, thus having

clear, measurable, comparable, and certified data. If managed effectively, this communication can strengthen the brand image, making it more credible and consistent, and therefore more appreciated by the market. When corporate sustainability focuses on the review and improvement of processes and products, it is crucial to communicate the outcomes only upon the completion of these interventions, having precise, quantifiable, comparable, and validated information available. Effective communication in this sense can significantly enhance a brand's image, increasing its credibility and coherence, making it more appealing to the market.

With the advent of Web 2.0, there has been a significant paradigm shift in how companies interact with the public: the focus has shifted from pure sales to sharing enthusiasm and authentic interaction. Enthusiasm has become a fundamental pillar of modern relationships that shape society; there is no longer a passive audience, but rather a community of active participants. Thanks to technological evolution, the barriers between consumers and companies have thinned, allowing consumers to take an active role in production, thus creating the figure of the "prosumer."

This new awareness among customers, who perceive themselves as both consumers and producers, has enabled more impactful participation in corporate decisions, a crucial aspect for companies aiming to reduce their environmental impact. Collaborating with consumers can lead to significantly more effective and quicker results compared to attempting to operate in isolation. Sharing responsibility not only accelerates progress but is also essential for supporting a sustainable society.

A fundamental first step towards sustainability could be the development of a new market for eco-friendly and fair-trade products. By working together with consumers, companies can stimulate a broader and more immediate demand for these products, thereby fostering a rapid ecological transition. Various approaches can be adopted to stimulate this transition: on one hand, educating consumers about ethical consumption, making them more informed and aware of their choices; on the other hand, challenging the current status quo by addressing environmental issues through an emotional lens that directly touches common sentiments.

Educating customers to make informed choices is the most effective method to promote responsible consumption without falling into the trap of greenwashing. This process requires transparent communication, a constant commitment to providing accurate information, and encouragement towards conscious choices. Through these joint efforts, companies and consumers can together build a greener and more responsible future.

2.7 Sustainability-oriented Marketing

According to a survey conducted by the IBM Institute for Business Value (Value, 2024) on a sample of 16,349 consumers from 10 countries (Brazil, Canada, China, France, Germany, India, Mexico, Spain, the United Kingdom, the United States), more than half of the respondents stated that environmental sustainability had gained more importance compared to the previous year. Additionally, 49% of them revealed that they had paid a premium for sustainable products.

The increased demand for eco-friendly products in various industrial sectors is pushing companies to orient their marketing and communication strategies towards sustainability and ecology, presenting their products as environmentally friendly. However, the line between green marketing and those misleading practices where some companies promote a deceptively positive image regarding the environmental impact of their products is often blurred. A study conducted by the European Commission in 2020, titled "Environmental Claims in the EU - Inventory and Reliability Assessment," examined a total of 1,305 products and services and 1,616 online promotional messages. It found that 23% of the advertising messages related to products and services contained at least one potentially misleading claim. In other words, more than half of the web pages and promotional messages regarding products and services with explicit claims about sustainability and the environment presented potentially misleading statements.

Absolutely, the issue of transparency and integrity in marketing is of fundamental importance, especially in a context where more and more consumers are sensitive to environmental and social issues and attentive to ethical business practices.

Proper and clear marketing not only contributes to building a positive reputation for the company but is also crucial for respecting the ethical values that every marketer should follow.

This means communicating transparently and honestly, avoiding exaggerations or misleading claims regarding the sustainable characteristics of products or business practices.

Today's consumers are well-informed and can easily spot greenwashing or misleading marketing practices. Therefore, a company that promotes sustainability must be able to credibly and verifiably demonstrate its commitment to sustainable goals and ethical business practices.

Moreover, clear and transparent marketing helps build consumer trust and loyalty. When consumers perceive that a company is genuine in its communications and is truly committed to making a difference, they are more likely to support it and become loyal customers.

Finally, ethical and transparent marketing practices not only benefit the company itself but can also have a positive impact on society as a whole. They encourage other companies to follow suit and help promote responsible corporate behavior globally.

Greenwashing is a tactic used by companies to present themselves as sustainable without necessarily committing to meaningful actions for the environment or society.

This phenomenon can manifest in two main ways:

- 1. Providing misleading information:** This occurs when a company gives false or misleading information about its sustainable practices. For example, it might exaggerate the use of eco-friendly materials or the reduction of carbon emissions without solid evidence.
- 2. Overemphasis on secondary sustainable practices:** In this case, a company might focus on minor aspects of sustainability, such as the use of recyclable packaging, to mask significant shortcomings in other, more critical areas.

The main motive behind greenwashing is the desire to gain image benefits without necessarily committing to substantial actions to improve sustainability. As more and more consumers are sensitive to these issues, companies seek to capitalize on this interest to enhance their reputation and profitability.

However, greenwashing is increasingly recognized and denounced by both authorities and consumers. Thanks to easier access to information, consumers are more vigilant and able to spot misleading practices. For companies, using greenwashing represents a significant risk, as it can irreparably damage their corporate reputation if discovered, leading to a loss of credibility and consumer trust (Adil, et al., 2023) .

Laws and regulations play a crucial role in combating greenwashing and ensuring that sustainability claims are accurate and transparent. Various regulations govern the environmental and social claims made by companies, ensuring that they are verifiable and not misleading to consumers.

To recognize genuinely sustainable products, consumers can adopt several strategies such as researching and documenting, learning about the company's sustainable practices by consulting its website, or looking for certifications and labels that may have been awarded to specific products. Objective and independent assessments that evaluate the sustainability of products, and analyzing the environmental impact and lifecycle of the product to assess its impact on the environment and society.

In conclusion, an informed and critical approach, supported by rigorous regulations and independent assessments, can help consumers identify genuinely sustainable products and avoid falling victim to greenwashing.

2.8 The role of social media and digital marketing in communicating sustainability.

In the current landscape, the importance of social media and digital marketing in disseminating corporate sustainability is crucial. By leveraging platforms like Instagram, Facebook, Twitter, and LinkedIn, brands have the opportunity to reach a wide audience and convey messages focused on the sustainability of their operations (Gentjan Çera, 2024). Tactics range from advertising campaigns promoting eco-friendly products to sharing educational content about the sustainable practices adopted by the company, and actively participating in online discussions about sustainability.

Among the most widespread strategies is the use of influencers who support and spread the brand's sustainability values through sponsored posts and collaborations. Additionally, many companies use social media to directly engage their customers, encouraging them to share their experiences with sustainable products and prompting them to participate in initiatives aimed at promoting eco-friendly behaviors (Anna Vogelaar, 2021).

In the context of our discussion on the role of social media and digital marketing in communicating a brand's sustainability, it is essential to understand the growing influence of social media-based information in decision-making processes. As highlighted in recent studies, individuals increasingly rely on social media platforms to access diverse content, surpassing the limitations of traditional media. This shift underscores the importance of utilizing social media to convey normative messages that promote pro-environmental behaviors, based on existing research linking normative intentions to positive behavioral changes.

Through the use of social media channels, brands can effectively disseminate normative content that fosters environmental awareness among their audience. This exposure to normative messages, combined with individual environmental consciousness, acts as a catalyst for behavioral change towards more sustainable practices. Therefore, our goal is to explore the synergistic impact of social media content, which includes social norms

and individual environmental awareness, in promoting intentions to adopt pro-environmental behaviors (Schouten).

This commitment aligns with the growing interest in understanding the interaction between social media dynamics, environmental awareness, and decision-making processes. By delving into these interconnected factors, we aim to contribute to the ongoing debate on sustainable marketing strategies and their effectiveness in driving consumer behavior towards sustainability.

In recent years, influencer marketing (Vilkaite-Vaitone N. , 2024) has seen a significant rise, with influencers increasingly being used to promote sustainable consumption behaviors. These influencers can effectively convey their perspectives through various channels, including conferences, mass media, and social networks. With the widespread availability of the internet, the proliferation of mobile devices, and advancements in modern technology, social networks like Facebook, Instagram, Twitter, LinkedIn, and TikTok have become an integral part of daily life for a large segment of society and serve as a vital communication channel for influencers. Through social media, influencers can disseminate information, inspire ideas, and shape perceptions, potentially leading to behavioral changes. Social media sponsorships have proven to be cost-effective and engaging for users. Information received from influencers as interpersonal sources has a greater impact on decision-making compared to traditional advertising techniques. According to Veirman, contemporary brands are increasingly abandoning traditional advertising methods and turning their attention to influencers as a means to promote their products to a broader audience. This shift in strategy is motivated by higher levels of authenticity and credibility associated with influencers which in turn leads to less resistance to the message. Social media can also be used to raise awareness and quickly disseminate information to young people who might be less receptive to traditional media. Influencers have been the most significant factor influencing purchasing behavior over the past decade. The emergence of virtual influencers has only added to the popularity of social media influencers. From these observations, it can be concluded that influencers have the potential to significantly influence sustainable consumption behavior. The body of research on influencer

marketing has grown, revealing that influencers exert a notable impact on consumer purchasing behavior. However, the extent to which influencers affect sustainable consumption has been the subject of heated debate, with inconclusive results. For example, recent studies by Johnstone and Lindh have shown that influencers play a crucial role in shaping purchase intent for sustainable fashion. Kilipiri et al (Vilkaite-Vaitone, 2024). demonstrated that travel influencers on Instagram are positively correlated with the choice of sustainable destinations. In the context of developing a sustainable urban transport sector, the influence of influencers is determined by their *modus operandi* and the goals they pursue regarding urban transport issues.

My Research Contribution

The research question of this paper is: “How does sustainability communication affect the corporate image of Italian companies?” The goal is to investigate the benefits and opportunities and analyze what gaps still exist today. This research aims to achieve the following specific objectives:

- Analyze the current state of Italian SMEs concerning sustainability, evaluating awareness and implementation of sustainable practices among companies. It is essential to assess the motivations and barriers influencing the adoption of sustainability.
- Evaluate the communication strategies adopted, identifying the current strategies used to communicate their sustainable efforts and assessing their effectiveness.

To investigate the impact of communication, it is essential to examine how this influences the perception of the company by customers, partners, and other stakeholders. This research is important because sustainability has become a crucial factor for corporate reputation and competitiveness in the modern market. SMEs represent a significant part of the Italian economy, and improving their sustainability communication can positively impact not only their corporate image but also their long-term success. Additionally, effective communication can help build trust among customers and stakeholders, promoting a more transparent and responsible approach to business.

The company Elmar was selected as a case study due to its renowned reputation in luxury kitchen design and its made-in-Italy brand identity. The company also stands out for its commitment to sustainability, with specific practices and initiatives that make it an ideal example for this research. By examining Elmar, we can gain a deeper understanding of how sustainability communication strategies influence corporate image.

To investigate this research question, the chosen methodology will be interviews. This qualitative approach will allow us to obtain detailed insights into the perceptions and experiences of various stakeholders regarding sustainability communication and its impact on corporate image.

The data collection process will include:

- Preparation of an interview guide with questions focused on perceptions regarding Elmar's sustainability communication and its impact on corporate image.
- Conducting interviews with a diverse group of stakeholders, ensuring ethical considerations such as informed consent and participant confidentiality.

The qualitative data collected will be analyzed to identify key themes and patterns related to sustainability communication and corporate image. This approach will highlight the specific elements of sustainability communication that resonate most with stakeholders.

CHAPTER 3: The Elmar case, the craftsmanship of luxury Made in Italy.

3.1 Elmar the history of the brand.

Elmar was founded in 1978 in Biadene (TV), Italy. It is a company specializing in the design, production, and sale of high-quality kitchens. From the very beginning, the company has stood out for its seriousness and commitment to production, product quality, and human resource management. Elmar was born in the heart of the Treviso district for kitchen production. Stefano De Colle, the current CEO, represents the second generation of the family business. He manages Elmar together with his wife, Olga Cabrioni, who is the Head of Design at Elmar. The company is well-established in the high-end design kitchen market in Italy and enjoys a solid reputation for the technical and material quality of its products.

Initially, the company produced kitchen furniture. Over the past 25 years, Olga Cabrioni and Stefano De Colle have transformed it into one of the most established and respected brands in the Italian high-end kitchen market. Elmar offers retailers a range of kitchen designs that include modern contemporary and classic styles, and their products are sold in various countries around the world.

Elmar prides itself on its long history and the evolutionary path that has led it to become a representative of Made in Italy with a globally recognized identity. With over 45 years of experience, Elmar is a brand that combines design and innovation while maintaining its typical Italian stylistic imprint. Sustainability is an integral part of the company's DNA, fully embracing ESG principles without neglecting economic aspects.

Elmar's passion for designing, producing, and selling high-quality furniture solutions recognizes the crucial role of its collaborators. Internal collaboration has built Elmar's identity, which continues to embody the values of Elkington's Triple Bottom Line model: human centrality, research, and environmental sustainability. These values have

expanded over time towards a three-dimensional vision of sustainability, clearly expressed in Elmar's Sustainability Policy, a fundamental document that guides the company's actions on relevant sustainability issues.

Elmar believes that decisions, actions, innovation, and research, as well as growth strategies, should be shared. To achieve these objectives, the company is committed to increasing its commitment through a shared approach that involves all stakeholders, leveraging common values outlined in the company's ESG policy.

In the 1990s, the brand began collaborating with well-known designers to develop innovative and ergonomic movement systems, which later became the company's hallmark. Each year, the proposals have become increasingly innovative. In 2007, Elmar accelerated its path towards more contemporary lines thanks to a design collaboration with Ludovica and Roberto Palomba. In 2014, Elmar involved the C S Architects studio of Carlo Cappai and Maria Alessandra Segantini to interpret new kitchen concepts. The constant drive for innovation and careful design analysis set Elmar apart from other industry players. Entering the so-called "high" market (a term used in the furniture world to indicate the luxury market) was a natural progression: choosing the best materials while maintaining a wide range, constantly focusing on functional components (from hinges to sliding guides, from screws to internal containers and various mechanisms and accessories), offering cutting-edge design solutions, meticulously caring for every detail in production cycles, and constantly striving to meet even unexpressed consumer needs. All of this has propelled the company towards the most demanding consumer segments.

The majority of ELMAR's revenues come from the production and sale of kitchens for the Italian market. However, ELMAR kitchens are also sold and distributed in major European countries such as Spain, Germany, Russia, the USA, and Japan.

Elmar has always been sensitive to environmental issues. This awareness is present throughout the company, where the entire team has developed a strong sensitivity to this

issue beyond the need for product positioning. From the production facility to the LEDs of the finished product, from the choice of raw materials and suppliers, all production, recycling, and transportation phases are developed in full respect of eco-sustainable values. The furniture structures are made with ecological IDROLEB panels. The majority of the materials used are 100% recyclable, and 70% of the products come from suppliers located within 100 km of the company. A photovoltaic system makes the company 60% self-sufficient in energy usage. This environmental focus extends to the packaging, transportation, and delivery phases of the product. This constant attention preceded regulatory obligations, anticipating consumer sensitivity that has matured over the years.

Elmar's philosophy:

WE DESIGN, WE INNOVATE, WE CUSTOMIZE, WE CARE: these four pillars encapsulate Elmar's philosophy, which over time has built a shared corporate culture capable of blending seemingly irreconcilable concepts like "high performance and positive impact."

WE DESIGN

Elmar's passion, combined with collaborations with architects and designers, has given the brand a strong identity and dynamism. This approach has led to the creation of solutions, lines, and products that are characteristic of the Italian lifestyle, able to integrate harmoniously with any architectural and spatial context.

WE INNOVATE

For Elmar, change is synonymous with progress, and progress represents an improvement in the quality of life. Creating high-quality furniture solutions using the most advanced and sophisticated technologies on the market is fundamental. This is made possible by the research and development team, which continuously explores the potential of new forms and materials for domestic spaces.

WE CUSTOMIZE

Elmar's furniture is designed to be highly customizable, transcending the dichotomy between industrial and artisanal production. Although industrially produced, the elements of Elmar kitchens can be customized in size and color, creating a welcoming atmosphere that is meticulously crafted, as if made by hand.

WE CARE

Elmar is committed to creating durable products designed to meet every need. The detailed analysis and development of every aspect of the finished product are integrated with safety and functionality requirements. Strict technical precision, combined with experience, quality control testing, continuous innovation, and global challenges, ensures the quality and durability of Elmar's furniture.

3.2 The Italian market.

The furniture market in Italy is expected to grow at a compound annual growth rate (CAGR) of over 4% during the period 2024-2029. The Italian furniture industry holds significant importance in the national economy, with Italy being one of the world's leading exporters and the fourth-largest global furniture producer. A key factor in the popularity of Italian furniture is the excellence in design, craftsmanship, and aesthetics of the products, with Italian architecture playing a significant role as an international trendsetter. (Intelligence, 2024) (Abdelaziz, 2024)

The COVID-19 pandemic had a significant impact on the economy, severely affecting sectors such as hospitality, retail, automotive, and aviation. The Italian furniture market also suffered due to forced closures and decreased consumer spending. In addition to the logistical and market difficulties caused by the pandemic, EU furniture manufacturers faced challenges in high-end export markets in Asia, the CIS, and the Middle East. These difficulties were caused by various factors, such as the diversion of Chinese products from the United States to other markets, a sharp decline in global stock markets towards the end of 2020, the weakness of the Russian ruble, and low oil prices.

However, over time, the situation normalized, and the Italian furniture market gradually resumed its growth.

Italian furniture has always held a special place in the history of design, with Italy recognized as the cradle of the Renaissance and Renaissance Italian design. Furniture production in Italy is steadily growing, as are the markets for living room and dining room furniture. Among the main export destinations for Italian furniture are France, Germany, the United States, and Canada.

The luxury kitchen sector made in Italy is synonymous with elegance, innovation, and quality. In recent years, there has been a growing focus on sustainable material choices and advanced technological solutions. The latest edition of the Salone del Mobile, held in Milan in April at the Rho Fiera Milano spaces, highlighted these trends, showcasing kitchens that combine eco-friendly materials with refined designs and cutting-edge functionality.

Italian luxury kitchens stand out for their use of fine woods, natural stones, and innovative surfaces such as porcelain stoneware and quartz, which ensure durability and environmental respect. High-tech solutions, such as smart appliances and integrated lighting systems, offer an enhanced and personalized user experience.

The creative and original design approach, combined with attention to detail and artisanal tradition, makes Italian kitchens a benchmark in the international landscape, reaffirming Italy as a leader in design and innovation in the luxury sector.

This market is experiencing strong growth, fueled by increasing demand for high-quality products, innovative design, and advanced functionality. Italian kitchens are internationally recognized for their unique design and the use of premium, often sustainable, materials.

There is a growing demand for "smart" kitchens that integrate intelligent technologies to enhance the culinary experience. This trend is particularly evident in kitchens that offer automated systems for cooking and space management.

Continuous innovation in design and a commitment to sustainability are fundamental elements that position Italian luxury kitchens as leaders in the global market, maintaining their appeal and competitiveness despite global economic challenges.

3.3 Elmar and its commitment to sustainability.

Elmar is deeply proud of its long history, a history spanning over 45 years that has led the company to become a symbolic representative of "Made in Italy," with an identity that has garnered international recognition. Throughout these years, Elmar has successfully balanced innovative design with respect for its own stylistic footprint, never straying from the principles of sustainability that guide every decision. The company's objective is both ambitious and clear: to integrate economic growth, social development, and environmental protection into a single, cohesive vision.

As a testament to this commitment, for the third consecutive year, Elmar has voluntarily decided to publish its Sustainability Report, a document that represents a significant step towards greater transparency with all stakeholders. This report allows the company to communicate its performance in detail, including assessments of its achievements and the integration of ESG (Environmental, Social, Governance) criteria. These indicators provide a comprehensive view of the company's activities, going beyond mere financial aspects to also consider environmental, social, and good governance dimensions, following the methodology developed by Kickster.

Elmar's CEO, Stefano De Colle, emphasized the importance of 2022 as a particularly challenging year, marked by new geopolitical tensions in Europe, which, following the global health crisis, risked further intensifying economic and social pressures, exacerbating climate change risks, and questioning the feasibility of achieving ambitious carbon neutrality goals by 2050. De Colle highlighted that issues such as energy security and social cohesion must be reassessed in light of these new challenges. However, despite these difficulties, Elmar managed to stay on course, adding new milestones to its sustainability journey.

The company's strategic actions aimed at efficient energy use have led to significant investments, and within the scope of circular economy practices, Elmar launched the "Nomade Project." This project was designed to promote the professional and personal growth of the company's management, and it was accompanied by investments in

training courses on topics related to Industry 4.0 and sustainability. Thanks to these initiatives, Elmar has improved its ESG performance, a result the company is rightfully proud of.

Despite the progress made, Elmar is aware that there is still much work to be done, but the determination to continue on this path is strong. De Colle expressed gratitude to all those who collaborate with Elmar and who have chosen the company, recognizing them as essential elements in achieving growth objectives and in creating sustainable economic, social, and environmental value for all stakeholders.

The virtuous path Elmar has taken over these four decades has led the company to evolve, while maintaining its core values and identity. This journey has driven the company to share not only its economic results with its stakeholders but also its sustainability performance across the entire value chain. Elmar's commitment is continuously growing, with the goal of increasing the available data and providing clear and measurable KPIs that involve all company departments. Elmar's sensitivity to environmental sustainability, which has always characterized the company, has led to the evaluation of projects and initiatives aimed at improving not only environmental performance but also social and governance aspects.

For these reasons, Elmar has decided to further commit itself by sharing data and information with its audience regarding the actions taken to reduce environmental impact and promote sustainable development. Elmar's sustainability vision translates into sharing values with stakeholders, accompanied by tools for the professional and personal growth of employees and an ethical and transparent management of the business.

Since 2020, the company has regularly engaged in mapping and evaluating its ESG performance using the methodology developed by Kickster. This assessment system is based on a set of key indicators that take into account the industrial sector in which Elmar operates and are updated periodically according to international best practices.

The assessment evaluates the sustainability performance of organizations based on criteria that include environmental, social, and governance issues, divided into six areas of analysis: Sustainability Communication, Risk Management, Environmental and Social Policies, Governance Strategies, Supply Chain Management, and Human Capital Development. For 2022, Elmar recorded an improved performance, maintaining its position within the rating provided by the Kickster methodology, positioning itself as a "Green Leader."

Elmar's values and its sensitivity toward environmental protection are fully aligned with the principles of the circular economy and the European Union's goal of achieving climate neutrality by 2050. The challenges related to reducing environmental impact, through the principles of circular economy and eco-design, represent growth and innovation opportunities for Elmar, responding to the increasing demands of consumers and stakeholders. Elmar has identified actions on two levels: upstream, focusing on designing products meant to last, that are easily reusable, repairable, and recyclable, and that incorporate as many recycled materials as possible; downstream, ensuring that the products and furniture systems are functional and integrable with other collections from the brand, always with a focus on repairability and sustainability. Elmar is also committed to acting responsibly in the selection and management of raw materials, efficient energy use, and proper procedures for the collection and disposal of manufacturing waste and other waste materials. The company also optimizes the volumes of furniture and accessories during the transport phase, without ever compromising on the style and quality that distinguish it. Most of the materials used for Elmar kitchen systems are 100% recyclable, demonstrating the company's ongoing commitment to environmental sustainability.

Elmar's innovative spirit is a fundamental pillar in the company's growth strategies, demonstrating not only a significant ability to generate value but also to create a stimulating and dynamic work environment. This spirit manifests in two distinct yet interconnected dimensions. On the one hand, within the organization, the Research and Development team plays a crucial role. This group is constantly engaged in designing and creating high-level architectural solutions aimed at redefining the concept of the

kitchen. Thanks to attention to detail and the selection of a wide and refined range of materials, Elmar succeeds in proposing a new way of experiencing the kitchen, harmoniously combining functionality and design.

On the other hand, there is the essential contribution of the Production team and the Technical Office, who work in synergy with an external Energy Manager to ensure the rational use of energy resources. These departments are particularly attentive to continuous monitoring activities, with the aim of constantly improving the company's energy performance. Attention to energy efficiency is not only a company value but also a daily practice reflected in all production processes.

Since 2001, Elmar has adopted the international standard ISO 9001:2015, which certifies the quality of management systems in the design and production of modular kitchen furniture. This certification attests to Elmar's commitment to ensuring high standards in all phases of the production process, contributing to the creation of products of the highest quality. Currently, The company is advancing its procedures to obtain ISO 50001 certification, a further step forward in the efficient management of energy resources. This international standard allows Elmar to establish specific criteria and processes to continuously improve its energy performance, optimizing the use and efficiency of all available energy sources.

A crucial aspect for Elmar is the attention dedicated to human resources. The company recognizes the importance of professional specialization, an element that has significantly contributed to its growth and to the international recognition it enjoys today. Technical precision, rigor, and continuous skill development are considered essential factors for maintaining high-quality standards in Elmar's products. Professional skills not only ensure the excellence of the products but also represent a competitive advantage that distinguishes Elmar in the global market.

Furthermore, Elmar is deeply committed to promoting an inclusive corporate culture based on respect for equal opportunities and the elimination of any form of discrimination. Diversity is regarded as a fundamental value, a true strategic asset for

the growth and development of an innovative and cutting-edge company. Elmar promotes personnel development based on meritocratic criteria, ensuring that each employee can realize their potential in a fair and respectful work environment.

The safety and well-being of employees are absolute priorities for Elmar. The company is convinced that the quality of its products is closely linked to the safety of the workplace. For this reason, Elmar continuously invests in measures aimed at minimizing risks, ensuring a safe and secure working environment. Quality and safety go hand in hand, creating the ideal conditions for the production of top-level furniture, capable of meeting the demands of an increasingly discerning market.

This ongoing commitment to innovation, energy efficiency, the enhancement of human resources, and safety reaffirms Elmar's vision as a forward-looking company, capable of facing the challenges of the global market with determination and success, while always keeping its core values at the center.

Dialogues with Protagonists: Interviews with Elmar's Key Figures.

Interview with Elena Di Marco, Communications Consultant at Elmar.

1. What are the main challenges that Italian SMEs, such as Elmar, face in communicating the values of a Made in Italy company and the quality of the artisanal products they produce?

The main challenges in communicating the values of a Made in Italy company and the quality of artisanal products can be divided into several areas:

1. Market Saturation

The global market is saturated with products of all kinds, including those claiming to be of high quality and artisanal. Standing out in such a crowded landscape requires extremely effective and innovative communication strategies that can highlight the uniqueness and superiority of the products. It's crucial to convey values that go beyond the product itself, creating a sense of belonging to a virtual community.

2. Consumer Education

Consumers are not always aware of the intrinsic value of Italian artisanal products. Often, the perception of quality does not match reality, and explaining the artisanal process, attention to detail, and tradition can be challenging. It's essential to educate the public on why Made in Italy products are special, require significant effort, and therefore justify their price.

3. Limited Resources

SMEs like Elmar often have fewer resources compared to large international brands. This can make it difficult to invest in large-scale marketing and communication campaigns or advanced technologies for promotion and dissemination. Budget

allocation must be particularly strategic, focusing on channels and initiatives that offer the best return on investment.

4. Brand Identity

Effectively communicating the brand identity and values of a family-run artisanal company requires consistency and experimentation. SMEs need to convey their story, passion, and attention to detail that characterize the project and its realization. This can be particularly challenging in an era of instant communication and continuous, fragmented messages. Elmar has chosen to do this by using unconventional approaches compared to its competitors, leveraging new media that emotionally engage the audience and explore different, seemingly distant areas, committing to promoting a high cultural message.

5. Global Competition

Competition comes not only from other artisanal products but also from industrially produced items, which are often marketed with aggressive pricing strategies. Convincing consumers of the added value of Italian craftsmanship over cheaper alternatives often requires precise and persuasive communication work. More importantly, it's crucial to build and nurture a strong and aware community that aligns with the brand's values.

6. Adapting to New Media

The media landscape is constantly evolving, with new platforms and digital tools emerging. It is necessary to adapt quickly and efficiently to these changes, making the most of social media, content marketing, and other forms of digital communication to reach a well-segmented and diversified audience.

7. International Presence

Bringing the values of Made in Italy to international markets also means facing linguistic and cultural barriers. Translating not only words but also values and the story in a way that resonates with consumers from different nations is a significant challenge. The relationship with the kitchen, in particular, varies according to culture, traditions,

and customs. It's necessary to develop a careful and well-studied language to gain trust, ensuring continuous listening and reception in every circumstance, learning fundamentally from the buyers themselves how to respond to their needs.

Addressing these challenges requires a mix of creativity, strategy, and authenticity. Elmar continues to invest in storytelling, listening to and educating consumers, and strategically using resources to maintain and enhance the perceived value of its products. The key is to convey the soul and passion behind every story that is condensed into a product, which is desired, designed, and will soon be loved, ensuring that consumers feel and appreciate the difference.

2. What are the main challenges that Elmar faces in communicating sustainability? How do you tackle the challenge of conveying the authenticity of your initiatives?

The main challenges encountered include:

1. Greenwashing Cases

The prevalence of greenwashing has led many consumers to be skeptical of companies' sustainability claims. Often, companies boast about responsible initiatives without verifying their actual implementation, using them merely as a basis for communication and marketing activities. Standing out and demonstrating the authenticity of the ecological transition process that Elmar has been carrying out for years in such a context can be challenging, both in terms of perception and communication. For this reason, we focus on concepts related to the durability and quality of materials, timeless design, and guiding the consumer towards a thoughtful purchase of a model that will meet today's and tomorrow's needs.

2. Complexity of the Sustainability Process

Sustainability is a complex concept that covers various aspects, from material sourcing to production, logistics, and product disposal. Communicating the entire process in a clear and understandable way can be challenging and may come across as too technical,

especially when it is necessary to simplify specific concepts for the general public. Additionally, kitchens by their nature have structural complexity and volumes that do not make them temporary furniture that is easily convertible or disposable.

Elmar addresses the challenge of conveying authenticity through the following approach:

1. Transparency and Traceability

Elmar is committed to maintaining maximum transparency regarding its sustainable practices, providing precise details on sourcing, production processes, and measures taken to reduce environmental impact. We use recognized certifications and material traceability to guarantee the authenticity of our claims (see the 2023 Sustainability Report).

2. Educational Communication

Respect for well-being and the environment are part of Elmar's core values, which prefers a spontaneous and straightforward approach to communication, clearly explaining the benefits of sustainable practices and their impact. We use visual tools to make complex concepts more accessible and understandable, generating natural empathy towards a shared vision for the common good. This process is pursued both externally and internally, with our staff, collaborators, and employees regularly involved in update meetings to stimulate interest and generate a sense of shared values.

3. Authentic Stories

We tell stories about the people and design processes behind the products, the decision-making paths, and industry innovations. Through interviews, in-depth analyses, and content, we showcase the work and commitment of our artisans and suppliers, emphasizing the human and cultural value of our production, which promotes craftsmanship, ingenuity, and creativity.

4. Partnerships and Collaborations

We collaborate with recognized organizations and institutions to continuously improve our sustainable practices. These partnerships not only help enhance company operations but also add credibility and recognition, both internally and externally, to our initiatives. Elmar promotes a virtuous process, and those who choose the brand also choose this specific direction, whether consciously or not.

5. Measurable Results and Recognitions

We present measurable and tangible results of our sustainable initiatives, such as the reduction of CO2 emissions, the use of recycled materials, and the adoption of renewable energy sources (see the Sustainability Report). Additionally, we highlight the recognitions and certifications obtained from independent entities.

Addressing the challenges of communicating sustainability requires a constant and strategic commitment. Elmar is dedicated to conveying the authenticity of its initiatives through transparency, education, and culture, striving to build solid trust with customers and partners.

3. How do social media influence Elmar's communication strategy? Are there examples of social strategies that have had a positive impact on your brand's perception?

Social media have become a crucial element of Elmar's communication strategy, allowing us to expand our reach, interact directly with the audience, showcase the company in a multifaceted way, and promote initiatives and events. Through targeted projects and strategic collaborations, we have been able to significantly improve the brand's perception, highlighting the values of quality, innovation, and sustainability. In fact, social media allow us to reach a wider and more diverse audience compared to traditional channels, connecting us with clients, architects, designers, and furniture enthusiasts from around the world, thus multiplying the brand's visibility and potential interactions.

Social media provide a platform for direct interaction with our customers and real-time feedback. This helps us better understand their needs, preferences, and expectations, enabling us to adapt our offerings, develop new models, and tailor our communication based on the suggestions received. Elmar becomes a reference point in the choice of kitchen, transcending the mere purchase of a product to focus on breaking down the barrier between the company and the end user, who sees the profile as a support and a valuable reference in the world of kitchens and beyond.

We use high-quality images, videos, and stories to showcase our products, the production process, and collaborations with designers and talents, creating a coherent image while also providing a more personal, less polished dimension, aiming to bridge the gap between the user and the company. This often leads to extraordinary connections and solid bonds that go beyond the choice of a kitchen, making it an extension of the individual.

We have collaborated with well-known influencers and designers in the furniture and lifestyle sector to promote our products, which received thousands of likes and shares but, more importantly, narrated different worlds, approaches, and methods for choosing a kitchen that, for each person, embodied values, needs, and beauty, evolving with their life in their home.

5. How does organizing events contribute to building and strengthening Elmar's corporate image? Can you describe examples of events that have had a positive impact on your brand's perception and reputation?

Events offer a unique opportunity to create direct and engaging experiences with the public and represent a fundamental pillar of Elmar's communication strategy. Through initiatives, presentations, and workshops, participants can experience firsthand the quality and innovation of our products and enter Elmar's world, thereby reinforcing the positive perception of the brand. Additionally, these occasions allow us to build and strengthen relationships with clients, commercial partners, designers, architects, and

other stakeholders in the sector. These one-to-one encounters help create a sense of community and mutual trust, which are fundamental for long-term success.

It is necessary to organize high-quality events with a well-thought-out concept to differentiate Elmar from other players. Through collaborations with artists, designers, and influencers, we associate the brand with concepts of excellence, innovation, creativity, and cultural depth. The Milan space acts as a hub in this direction, hosting unusual activities and initiatives that create new connections and strengthen the community.

Here are some examples of events:

Participation in Milan's Fuorisalone: One of the most important design events internationally, it has always had a significant impact on the perception of brands. During the 2024 edition, we combined two different experiential moments. On one hand, we presented the new Playground 2024 model in a space curated by the Palomba Serafini Associati studio for industry professionals and interested parties, who could explore Elmar's spaces and proposed solutions during the day, accompanied by a specialty coffee station. On the other hand, we held an evening event, "Sensory Harmonies," which offered a multisensory experience combining experimental music, light installations, and mixology drink tastings. The showroom was transformed into an immersive club, reinforcing Elmar's image as an innovator and generator of contemporary culture.

Workshops on conscious choices: Throughout the year, we organized workshops focused on conscious choices involving sector experts like Alice Monti from Mirabilia Coffee, a project dedicated to sustainable coffee consumption. We also conducted an interactive tour at Casa .Elmar with @caricovariabile, who guided guests in choosing, using, and caring for appliances alongside preparations by chef Valentina Ranzone. These events not only educated participants about sustainability initiatives but also consolidated Elmar's reputation as a responsible and environmentally conscious company.

Interview with Stefano De Colle, CEO of Elmar.

1. What are the main difficulties that Italian SMEs, like Elmar, encounter in integrating sustainability practices into their business strategies?

The challenges faced are multifaceted and stem from several sources:

- Cultural Issue: The concept of sustainability has been widely discussed across various levels—industry-specific, national, and international—for many years. Today, the journey has moved past the initial phase characterized by mere greenwashing and sustainability primarily viewed as a marketing tool. Despite this progress, it remains difficult to dismantle deep-seated cultural barriers that hinder the acceptance of sustainability as a fundamental value. Many still struggle to see it as an intrinsic principle that should be naturally integrated, cultivated, and defended as an essential aspect of business operations.

- Consumer Behavior: A significant portion of consumers, while expressing support for sustainable products, are often reluctant to pay a premium for them. This reluctance is highlighted by recent research, such as the survey conducted by Cribis titled "State of the Art of Sustainability for Businesses and Consumers." This study, carried out for Confindustria and conducted between October and November 2023 by Havas PR and Havas Media Network, surveyed 500 respondents representing the Italian population and 16 entrepreneurs from the Italian industrial sector. The findings reveal that 43% of consumers, despite their stated support for sustainability, are not willing to spend more on sustainable products in practice.

- Need for Product Standardization: Another significant challenge is the need to standardize products in the face of diverse and often inconsistent sustainability regulations across different export markets. Each country has its own set of laws and standards related to sustainability, making it difficult for SMEs to navigate these varying requirements while maintaining a consistent product offering. This complexity

can create additional hurdles for businesses trying to implement sustainable practices on a global scale.

2. How does Elmar view the importance of Corporate Social Responsibility (CSR) in maintaining competitiveness and enhancing its brand image in the international luxury kitchen market?

CSR also presents a cultural aspect. Elmar does not view its importance merely as a strategy to maintain and enhance international competitiveness. Instead, the company is committed to ensuring that social responsibility becomes a deeply ingrained and widely recognized value within the organization. This value is embraced by everyone involved in the company, who act as positive witnesses to this commitment every day. Although this may sound straightforward, it is, in reality, a challenging journey that requires firm determination from the company's leadership.

For Elmar, integrating CSR is not just about fulfilling a duty or meeting market expectations; it's about embedding these principles into the company's core operations and culture. The aim is to make CSR a fundamental part of the company's identity, ensuring that every action and decision reflects a commitment to ethical practices, sustainability, and social responsibility. This involves a continuous effort to educate and engage employees, partners, and stakeholders, reinforcing a collective commitment to these values.

The benefits in terms of brand image and sales are expected to follow as a natural consequence of this virtuous, genuine, and transparent behavior. By fostering an environment where CSR is integral to the company's ethos, Elmar aims to build a strong, trustworthy reputation in the luxury kitchen market. This approach not only enhances the company's competitive edge but also strengthens its appeal to customers who value ethical and responsible business practices. In the long run, Elmar believes that this dedication to CSR will be reflected in a more robust brand image and increased customer loyalty, contributing to sustained success and growth in the global market.

3. The Impact of CSR on Consumers. How have Elmar's CSR initiatives influenced consumer perception and choices? Have you observed an increase in loyalty or sales as a result of these initiatives?

Currently, we have not specifically advertised particular CSR initiatives, as we are still in the phase of building a widespread culture of social responsibility. However, through our use of Instagram, which has primarily served as a powerful tool for engaging directly with people in real time, we have gained valuable insights into consumer attitudes. We have observed that people increasingly seek genuine and transparent relationships with brands and deeply appreciate when a company is willing to share its expertise without expecting anything in return.

In our experience, themes such as sharing knowledge and contributing to the dissemination of the culture of living—essentially, enhancing the quality of life—have become central to our CSR approach. These aspects resonate with consumers, who value transparency and authenticity, and are increasingly drawn to companies that demonstrate a sincere commitment to social responsibility.

Although it is still early to measure the direct impact on customer loyalty or sales, the positive feedback and engagement we have received indicate that our approach is resonating with our audience. By focusing on these CSR principles and fostering open communication, we are laying the groundwork for building stronger relationships with our customers. This, in turn, is expected to contribute to greater loyalty and potentially boost sales as consumers recognize and value our commitment to meaningful social responsibility. The ongoing development of our CSR culture will continue to shape how we connect with our audience and enhance our overall brand reputation.

Interview with Olga Cabrioni, Head of Design at Elmar.

1. How do you balance tradition and innovation in the design of Elmar's luxury kitchens to remain competitive in the international market?

For us, the value of tradition primarily lies in preserving the essence of the hearth and conviviality. We firmly believe in the importance of creating an atmosphere that fosters and celebrates the value of time spent together, which is a cornerstone of our philosophy. Tradition is not just a link to the past but also a solid foundation from which to innovate and create new experiences.

Innovation, in turn, involves finding the languages and technologies that best adapt to contemporary lifestyles. It is essential to offer solutions that not only meet aesthetic and functional needs but also optimize the installation process, especially in a world where professional installers are becoming increasingly rare. Our challenge is to blend tradition and innovation, creating a bridge between the past and the future.

In the international luxury market, precise installation is a prerequisite, going hand in hand with a project of the highest quality. Innovating also means investing in the proper training of the entire production chain, ensuring that every step, from design to installation, is executed with the utmost competence and professionalism.

2. What are the main desires of consumers in the luxury kitchen segment, and how do you translate these into design elements in your products?

The quality of the purchasing experience should aim to raise awareness and encourage customers to step out of their comfort zones. It is crucial to ensure that the showroom environment is meticulously curated and that the atmosphere is welcoming and inspiring, promoting exploration. An expert and attentive representative plays a key role in this experience, dedicating the necessary attention to welcoming visitors, providing clear explanations, and assisting in the development of their projects.

Furthermore, it is important to have a deep understanding of lifestyle preferences, eating habits, and current trends. This knowledge, combined with careful listening to the habits and desires of our clients, allows us to meet their needs effectively. This approach not only enriches the purchasing experience but also helps build meaningful and lasting relationships with our clients. By integrating these insights into our design elements, we ensure that our products not only meet but exceed consumer expectations, enhancing their overall satisfaction and engagement with our brand.

3. How do you integrate new technologies and smart kitchen concepts into your design projects to meet the needs of modern consumers?

It is essential to stay continuously updated with our suppliers and regularly attend industry fairs, not only to keep up with the latest trends but also to anticipate innovations that can enhance our products and services. These ongoing updates enable us to remain competitive and offer cutting-edge solutions to our clients.

In recent years, our research has particularly focused on innovative systems for opening cabinet doors, including electrified options, and on integrated lighting systems within the furniture. We have also paid great attention to the evolving world of appliances, which continues to advance with increasingly sophisticated technologies. However, we recognize that technology, while highly beneficial, requires regular maintenance, a commitment that not all customers are willing to undertake.

For this reason, we prefer to strike a balance between innovation and manual operation. We carefully consider the various stresses and hours of use that a kitchen endures daily. Our goal is to find solutions that combine the efficiency of technology with the simplicity and reliability of manual use, ensuring that our products meet the practical needs of our customers without compromising their user experience. By integrating these considerations, we aim to provide kitchens that are both technologically advanced and easy to maintain, aligning with the modern consumer's expectations and lifestyle.

4. What role social media and digital marketing play in Elmar's sustainability communication strategy? Do you have examples of successful campaigns?

We began using digital communication in 2019, marking a significant advancement in our marketing and promotional strategy. One of the most notable examples of this approach was the kitchen project created for influencer Paolo Stella, in collaboration with the renowned Palomba Serafini studio. This project not only allowed us to explore new creative and design possibilities but also introduced us to a new audience through the powerful medium of social media.

The onset of the COVID-19 pandemic accelerated our transition to digital communication. With the mandatory closure of all physical stores, we faced the challenge of maintaining contact with our customers and continuing to promote our products. In this context, communication through Instagram proved to be a winning strategy. It not only allowed us to maintain high visibility but also facilitated direct and authentic dialogue with our community, unfiltered by retailers or other intermediaries. This approach enabled us to establish a more personal and immediate relationship with our customers, increasing their trust and engagement.

The initiative proved to be a great success, becoming one of the first significant cases of social communication in our sector. This result demonstrated not only our ability to quickly adapt to market changes but also the power of social media as a marketing tool in the high-end furniture industry.

In early 2024, we decided to further our commitment on social media by introducing the theme of sustainability. In collaboration with the Saviola Group, we launched a campaign dedicated to the ecological panel, an innovative and sustainable product that represents a significant step forward in our journey toward more environmentally friendly production. This was a highly relevant topic, as sustainability has become one of the main priorities for our company and the furniture industry as a whole.

However, we have observed that in the furniture sector, awareness of sustainability is currently more focused on the energy efficiency of appliances rather than on material recyclability or green policies adopted by companies. This indicates that there is still much work to be done to educate the public and promote greater awareness of the benefits of a more holistic approach to sustainability. Our goal is to continue pushing in this direction, raising consumer awareness about the importance of considering the entire lifecycle of products, from production to recycling, as an integral part of choosing sustainable furniture.

CONCLUSIONS

The thesis initially aimed to thoroughly analyze the concepts of luxury and sustainability, two topics that are increasingly intertwining within the business context, especially concerning small and medium-sized Italian enterprises (SMEs). The primary goal was to understand what is meant by luxury and the motivations driving people to seek and purchase luxury goods, exploring the significance of status that such goods confer and the fundamental principles guiding consumer choices.

Luxury, as emerged from the analysis, is not merely defined by a high purchase price but involves a range of perceived values such as exclusivity, superior quality, uniqueness, and the desire to stand out. These elements, combined with the ability of luxury goods to confer social status, make consumers willing to invest significant amounts to obtain such products. Luxury thus becomes a form of personal expression, a symbol of success and belonging to an elite. This desire for social elevation and distinction was the focal point of the reflections conducted in the first part of the thesis.

Subsequently, the thesis focused on the concept of sustainability, a theme that is now essential for any business but particularly complex to manage for Italian SMEs. Being sustainable today means not only adopting business practices that respect the environment and society but also integrating them into an overall strategy consistent with the company's long-term goals. The difficulties faced by Italian SMEs in achieving sustainability mainly stem from the limitations of resources, both economic and human, that can be dedicated to such initiatives. Additionally, SMEs must address the challenge of adapting traditional production processes to sustainability standards that often require innovation and change, as well as the need to educate and engage the entire supply chain in this process.

Corporate sustainability, however, proves to be of fundamental importance, especially for companies that make "Made in Italy" a distinctive element of their brand. The added value of "Made in Italy" goes beyond the intrinsic quality of the products and extends to

the adoption of ethical and sustainable practices that reflect the country's commitment to a more responsible future. Implementing sustainability in a company thus means safeguarding and enhancing this heritage, meeting the growing expectations of consumers who increasingly seek products that meet specific social and environmental responsibility criteria.

In this context, the crucial role of Corporate Social Responsibility (CSR) and its implications for businesses was examined. CSR is not just a tool for improving corporate image but represents a genuine managerial philosophy that integrates profit objectives with social and environmental goals. However, implementing CSR presents challenges, particularly for SMEs that must reconcile sustainability needs with the necessity of remaining competitive in the market. Among the positive factors emerging from CSR implementation is certainly the increased attractiveness of the brand, which can lead to greater customer loyalty and improved corporate reputation. At the same time, challenges persist, especially regarding costs and the complexity of fully integrating these principles into the organizational structure.

The thesis also explored the concept of a sustainability plan, highlighting how it represents a key element in steering business strategies towards a more sustainable future. The importance of developing and implementing communication and marketing strategies aimed at promoting sustainability initiatives became clear, as only through effective communication can companies raise consumer awareness and enhance their efforts in this area. A well-conceived communication strategy is essential for building a coherent narrative that strengthens the company's sustainable identity and can generate a positive impact on brand perception.

Focusing on the case of Elmar, an Italian company distinguished by the high quality of its products and its commitment to sustainability, provided direct insights into the main actors who navigate the themes analyzed in this project daily. Through the reconstruction of the brand's history and interviews with key figures in the company, it was possible to gain an in-depth view of internal dynamics and challenges faced in implementing sustainable practices. The interviews provided essential contributions to

understanding how the management of an Italian SME like Elmar thinks, the priorities that emerge, and the strategies adopted to remain competitive in a market increasingly oriented towards sustainability.

The entire thesis project allowed for the organization and critical analysis of the most relevant aspects of the current market, highlighting how sustainability is becoming increasingly central to business life, particularly for Italian SMEs. At the same time, challenges related to implementing and communicating sustainability emerged, aspects that require ongoing commitment and a well-defined strategic vision. Thanks to the interviews and analyses conducted, it was possible to grasp the challenges and opportunities that sustainability presents for Italian companies, offering useful reflections for those looking to undertake or deepen this path.

In conclusion, the thesis achieved its objectives, providing a clear and detailed framework of the concepts of luxury and sustainability, the challenges Italian SMEs face in integrating these two dimensions, and the strategies that can be adopted to effectively communicate their commitment to a more sustainable future. The outcomes of the research and interviews conducted demonstrated the importance of a holistic and well-structured approach to sustainability, which not only meets market needs but is also capable of enhancing the cultural and productive heritage of "Made in Italy."

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